

Stakeholder Feedback

Response to our stakeholder Events in Perth and Newbury – March 2013

Scottish and Southern Energy Power Distribution (SSEPD) is the owner of two electricity distribution networks:

- Scottish Hydro Electric Power Distribution (SHEPD) in the north of Scotland,
- Southern Electric Power Distribution (SEPD) in the south of England.

Electricity distribution networks transport electricity to customers' homes or business premises. We do not sell electricity to customers – that is the role of energy suppliers. Our duties and obligations include ensuring we are able to provide an economic and efficient service to users, including generators, who wish to connect to our network.

We have been seeking the views of our customers and wider stakeholders on our business activities over the period to 2023 and beyond. By placing the needs of our customers and stakeholders at the centre of our planning we can ensure that our distribution networks are fit for purpose.

The Stakeholder events in Perth and Newbury were the final events in 'Our programme of listening' before the submission to Ofgem of the final business plan for the RIIO-ED1 price control period. The events allowed us to review the requirements our stakeholders have made from our business throughout the programme of listening. We also explained our view and invited feedback on our future priorities, focusing primarily on the areas of our business plan which our stakeholders have the greatest influence on including:

- ensuring a cost-effective, safe and reliable supply
- enabling flexible connections and reinforcing our network ready for low carbon technology
- customer service
- environmental programmes such as undergrounding cables for visual amenity, replacing oil filled cables and our SF6 replacement programme

This document Stakeholder Feedback: Stakeholder Events-May 2012 sets out the questions we asked, feedback from the fifty-two participants and our business response.

[*http://www.ssepd.co.uk/uploadedFiles/Controls/Lists/Have_your_say/2nd_consultation/OurProgrammeOfListening.pdf](http://www.ssepd.co.uk/uploadedFiles/Controls/Lists/Have_your_say/2nd_consultation/OurProgrammeOfListening.pdf)

Which is your preferred option for improving customer communications?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unresponsive of option	Other points	Our Response
Option 1: No change to existing arrangements	7%	<ul style="list-style-type: none"> All of the options offered are reliant on electricity, which may not be appropriate. The DNO covers this. No need for added investment “At stressful times you just want to talk to a human being ... and it is essential to be able to.” 	<ul style="list-style-type: none"> Option 1 is cheap but it has not got much more going for it No change is not an option; businesses always need to change so they can improve and progress to keep up with their competitors. 	<p>The benefits of each option need to be quantified:</p> <ul style="list-style-type: none"> If SSEPD embark on training it must be fully aware of the expected outputs of this. “What does the customer get at the end of it?” All options needs to be available to everyone and not just certain groups. Need for inclusion. <p>Remember to find efficiencies in the way you do things too:</p> <ul style="list-style-type: none"> “When I call in, I get a call handler who works through a series of questions designed for people who have no idea why they are calling SSEPD. Can SSEPD think about having a shorter list for people who are regular callers? You could reduce the average call times and increase productivity in terms of call handling that way.” “I’m concerned that the costs to customers do not reflect the savings you’ll make through efficiency/improvements to service.” <p>Why is the business not just financing these improvements out of profits?</p> <ul style="list-style-type: none"> “All of these options should be completed by the DNO’s as a business as usual and not come at cost to the customers.” “Costs to customers and profit for companies are being mixed up here.” “It is in your interest to make it work better – most businesses reinvest some of their profit to improve service. They don’t ask their customers to foot the bill for them to make more money.” <p>Some chose not to vote:</p> <ul style="list-style-type: none"> Two people chose not vote on this topic as it represented costs to customers for service rather than supply of energy. Some delegates felt it difficult to make an informed decision based on the information presented as they felt there was not enough explanation provided relating to cost increases; or contextual information to allow participants to frame the question within the context of UK Distribution Network Operators. They wanted the notes to state that they abstained for these reasons. 	<p>Key Theme: The greatest level of support (50%) was for Option 3 (i.e. All of Option 2 Enhancing knowledgebase of staff; better use of website, social media and mobile devices PLUS new information system which speaks to smart meter). The next most popular option with support from quarter of the participants was Option 2. A fifth of respondents preferred Option 4 which was all of Option 3 plus more call centre staff. Only seven percent favoured no change to the existing arrangements.</p> <p>Our Response: We recognise the need for a personal, attentive service via the communication method of customer choice. Our response should be knowledgeable, personal, timely and relevant. Our plans to invest in technology and an integrated communication platform that will allow our customers to communicate with us via the method of their choice will deliver the ideals as voiced by our stakeholders. Our focus on Customer Service with a newly appointed Head of Business and a recently implemented structure to enable regular training, call assessments and reviews, will enhance the personal service we aim to give – we do not want our customers to feel they are numbers. We know that Smart Metering will allow us to detect power cuts immediately and therefore instigate action prior to a customer having to contact us. Smart Metering will also enable us to maintain up to date information relating to our customer base; currently we only know customer details if they chose to tell us, for instance, we are not notified if a customer moves house. With a more focussed approach to servicing our customers, efficiencies have been made without extra spend however the increasing need to upgrade technology will mean investment is needed. We are asking customers to pay for this because as regulated businesses, the amount of revenue which each DNO is allowed to charge for its core business is set through a series of funding principles agreed with Ofgem. These closely link what we spend to what we earn, and are intended to balance:</p> <ul style="list-style-type: none"> the desire for the cost of electricity distribution to the end consumer to be as low as possible. We know from speaking to our customers that keeping costs to a minimum is a key priority; and the need for us to cover the costs of building and operating the distribution network along with a reasonable return for our investors. Without this return, DNOs would be unable to attract future investment and thus would risk the long-term health of the network. <p>More Information Throughout the event those delegates who requested more information received explanations from SSEPD staff either during or after the round of questions. A small percentage of queries were taken during the event and answered retrospectively.</p>
Option 2: <ul style="list-style-type: none"> Enhancing knowledgebase of staff Better use of website, social media and mobile devices 	20%	<p>The way society communicates is changing</p> <ul style="list-style-type: none"> “Teenagers communicate differently and will be your future customers. I can see that you need to embrace different types of media in addition to the traditional methods. ‘It is horses for courses’.” “I can see mobile devices like phones & tablets becoming the primary tools for communication as opposed to fixed point phones or PC’s.” “I would like to have had more detail about this before I make a decision. But based on the information available I would definitely think this is something which the business should look into in more detail.” <p>Opportunity to make information more accessible</p> <ul style="list-style-type: none"> “SSEPD is a very big organisation now... very difficult to find out [information] you [a customer] want... is there a better way to get the information you [the customer] want? ... Google [search-engine] type approach... a list of frequently asked questions?” 	<p>The need to be inclusive in the ways we communicate</p> <ul style="list-style-type: none"> Going down the technology route may be good for the industry, however, “need to be careful how we use it” – concern about the ‘digital divide’ within society. Asked SSEPD to ensure that its approach to customer service is inclusive not exclusive. 		

Which is your preferred option for improving customer communications? (Continued)

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unresponsive of option	Other points	Our Response
Option 3: All of Option 2 PLUS <ul style="list-style-type: none"> New information system which speaks to smart meter 	50%	Benefits of a real time information link <ul style="list-style-type: none"> This [option] creates a real time information link. This was thought to be important as energy costs continue to rise. It would enable customers to keep closer tabs on their energy consumption and associated costs. A need was felt for ongoing interaction with customers through smart metering. We must also understand that installation costs will impact distribution. Regulatory obstacles must be considered. 	Information Gap <ul style="list-style-type: none"> People don't know enough about this system of integration (i.e. smart meters linked to customer service information). Are there issues with accessing data? "If the technology is out there and available then it should be utilised, again I'm not sure why the cost should be directly absorbed by the customer". Not clear what this actually means. No benefit for domestic customers. The need to make systems ready <ul style="list-style-type: none"> "Are you sure SSE[PD] are physically ready for this level of investment, do you truly understand the implications and responsibility of handling such large volumes of data. There is no point in collecting this information unless you can utilise it." In order for you to track the customer's data from their smart meter, the customer will first have to opt in for the business to retrieve this data. Therefore there is an issue that you will have to ask customer first to use this data and not all customers will want you to use their data. 		
Option 4: All of Option 3 PLUS <ul style="list-style-type: none"> More call centre staff 	24%	<ul style="list-style-type: none"> "We like the idea that your call centres are within the UK, one in the South for the southern customers and one in the North, for your northern customer base, local knowledge is key." Customers have different needs. Call centre staff need to be trained in understanding and gaining an idea of what those needs are. Challenge is keeping this simple so that customers benefit. The training that goes through a computer system you can tell a mile-off and you're just a number. It's about being personal. Call centre staff should have knowledge of local areas. Relatively cheap option. 	<ul style="list-style-type: none"> "Don't agree with a 'bottomless pit' [approach]... if you [SSEPD] invest correctly in option 2 and 3 people will get the information they need when they need it". If you need more staff then you should do this as a business as usual task, not sure why this is an option for discussion? 		

Which is your preferred option for reducing customer interruptions?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unresponsive of option	Other points	Our Response
<p>Option 1: Continue to disconnect customers whilst working on the network</p>	44%	<p>Offers value for money</p> <ul style="list-style-type: none"> Strong support for option 1. Felt other options “weren’t value for money”. Some felt customers would have generators and therefore would be unaffected by a ‘disconnection’. “It is unfair to charge all customers the extra 15p to benefit a small percentage, I say continue as you are.” “This is a good thing if a targeted plan can be developed for these customers. It’s the targeting that’s hard to do.” “Seems like a sensible solution, rather than the other options.” “There is a limited negative effect from planned interruptions.” “Don’t invest much to fix what is a small problem.” “Things aren’t infallible so you just have to accept that things are switched off for maintenance sometimes.” <p>As long as customers have plenty of warning about planned interruptions and accurate information</p> <ul style="list-style-type: none"> “I think this option is feasible but you need to give customers substantially more notice than 48 hours.” “If the existing average time off supply in this situation is roughly 5 – 6 hours then carrying on with the current process should not be an issue as long as your letting customer know in advance and are not putting off supply during weekends or overnight.” When the interruptions are planned and customers are informed in advance, this was considered “not unreasonable” – “We [customers] will tolerate a bit of inconvenience”. “The length of time you are going to be off for an interruption makes the difference. You get a standard letter that you will be off supply for eight hours. The reality is that it is often nearer two. Why can’t you be more accurate with your estimates?” 	<p>Timing of planned interruptions is key</p> <ul style="list-style-type: none"> Depends on when we get the planned disconnections. “This needs to be led by need if it’s a commercial company. It’s a service that SSE[PD] should be using anyway.” Option 1 doesn’t cost anything more but it is inconvenient. If you work from home, you get notice of the interruption and you plan to work from the library that day. <p>Different customer types have different needs and expectations</p> <ul style="list-style-type: none"> “I would like to know what percentage of business customers versus domestic customers are affected by these interruptions and do you take into consideration that a lot of SME’s work from home and still may be reliant on a domestic supply?” “Businesses lose money if off supply. Four pence per year keeps the income stream coming in. In this economic climate, that is essential.” “If you asked the average 16 to 24 year old how long they could survive without power, I am sure anything above 60 minutes would not be acceptable. I think we have to accept customer expectations are changing radically and what might have been acceptable a few years ago is not acceptable now.” 	<p>Value for money and the need for more contextual information</p> <ul style="list-style-type: none"> It was clear throughout that there was an overall concern for value for money. Participants wanted more detail on the cost information provided. They also wanted to know what customers currently say about these interruptions before we chose an option. “We need more information to make an informed decision, who it affects, how long the interruption lasts etc. I’m almost making decisions based on your last consultation meeting.” Lots of questions were asked about the effect of planned interruptions – how long for, how frequent etc. On being advised that a customer would experience them perhaps once every two or three years, for around two hours, it was felt that this was not a big issue and we shouldn’t spend much to address it. <p>Those who benefit from investment should pay</p> <ul style="list-style-type: none"> The benefit of any investment is over a long period. Some customers (who contribute to the investment) may not be experience that benefit. “Who is paying for what?” The costs should be paid by the right people. Investment should be targeted and there is more potential for smart management. <p>Other comments</p> <ul style="list-style-type: none"> “Why are you consulting on this... we are not talking large amounts of money” and “Aim for 100% supply all the time. Nothing else.” <p>Some chose not to vote:</p> <ul style="list-style-type: none"> Some delegates felt it difficult to make an informed decision based on the information presented as they felt there was not enough explanation provided relating to cost increases; or contextual information to allow participants to frame the question within the context of UK Distribution Network Operators. They wanted the notes to state that they abstained for these reasons “Until I know the number of customers that aren’t getting the service they need. Things like the percentage number of customers that complain and of that number what is the proportion of repeat companies – I can’t make a decision on this.” 	<p>Key Theme: Opinion was split between Options 1 and 2 with Option 1 attracting marginally more support (44% vs. 40%). Only 17% supported Option 3.</p> <p>We note that the majority of respondents wanted to be reassured that any increase in bills would be value for money and reduce planned interruptions.</p> <p>Our Response: We recognise that customers do not want to see their bills increase in order to provide generators for all our customers on every occasion that we require to interrupt supplies. Given reasonable notice, stakeholders feel it is acceptable to expect affected customers to make alternative arrangements, rather than to provide everyone with a generator. However they do support the need for us to take a balanced approach to our operations, considering the economic cost, and individuals specific needs. Our stakeholders also support the use of live working techniques to minimise the interruptions that they experience.</p> <p>We support this approach and we believe that the proposed changes to planned interruptions incentive mechanism will create the correct balance of cost and penalties to encourage the correct decisions in this area. Distribution networks are funded by sharing the costs amongst all customers so it would be impossible to identify costs of specific investments and expect these to be solely funded by those who will benefit from them.</p>

Which is your preferred option for reducing customer interruptions? (Continued)

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
Option 2: Invest in supplying customers from an alternative supply until work completed	40%	Planned interruptions affect some more than others <ul style="list-style-type: none"> “I think this whole section depends on the type of customer, for short interruptions most customers are happy to absorb the effects but for longer periods and primarily business/industrial customers the longer the interruption the bigger the impact, physically and financially.” Potential to target this approach <ul style="list-style-type: none"> “Seems like a smarter approach”. “This would be enough to satisfy me”. Provides a “contingency arrangement”. Perceived as offering better value for money. Suggested that SSEPD go for a targeted approach when using this option. “Need to do this with an understanding of the network... how to make the best use of the features of the network... could be beneficial for smart networks in the future.” “Option 2 seems the most sensible as economics dictate that it is cheaper for people to have to cope with the power being off for a while.” 	Hidden costs? <ul style="list-style-type: none"> “[SSEPD] need to tell the whole story... [does this option] involve digging up the roads?” Wanted to know the implications of this option. Hiring generators you still get two short power cuts when you hook and unhook it to the system. Not clear what this means. Need to understand this better to have a view. 		
Option 3: Option 2 PLUS <ul style="list-style-type: none"> Live working Hire of generators where no back-up supply 	17%	Convenience <ul style="list-style-type: none"> “We [society] are increasingly working from home. We all have freezers full of food. To me, option 3 is the only choice as everything else is inconvenient. Even with notice that there is going to be an interruption, there is not much you can do about it.” Can see benefit but caveats on support <ul style="list-style-type: none"> Use of generators could be helpful in rural areas where there were perceived to be more power cuts. “The length of time is key here and needs to be local need. It’s back to targeting and pricing. Why should the vast majority pay for the minority always?”. “Back-up generators are hard to maintain. If there was an alternative to generators maybe.” 	Cost disproportionate to the number of customers who will benefit <ul style="list-style-type: none"> Hiring generators was thought to incur a lot of time and expense. Although option 3 was considered, it wasn’t thought to be good value for money from the prices described. Concern was that this was disproportionate to the problem. This option is very expensive based on the volume of customer who will benefit from this and the amount of money it costs. Compromises operatives safety <ul style="list-style-type: none"> Concern that ‘live working’ may compromise safety. ‘Live working’ surely goes against SSEPD safety values? Live working incurs more safety issues so that needs to be considered. 		

Which is your preferred option for improving our service to Priority Service Register customers?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unresponsive of option	Other points	Our Response
Option 1: Specialist team to manage the Priority Service Register	26%	<p>Work with government organisations as well</p> <ul style="list-style-type: none"> Suggested that SSEPD combine efforts with NHS and councils in gathering data on 'priority' customers. Some participants totally agreed with this comment but cautioned on how effective it would be given the public sector track record on confidentiality and success on managing databases. "I think that government should be managing a central database [not SSEPD] to help customers who need the additional help. Why can't government and the regulator encourage NHS, utilities and local authorities to hold and submit information to one central point?" [NB. a bit like the 'tell us once service that we offer to people who have been bereaved' and they register the death and it is automatically updated in all local authority databases but on a much larger scale]. <p>Clear benefits</p> <ul style="list-style-type: none"> The benefits of this are evident. Such a team believed to be required to spot and identify true need. (There was a perception that some people were on the register that were not 'priority'). Education is key to customers, especially the ones that need the help most. General view was that SSEPD should do all this at no extra cost to customers. "I'm not convinced that public sector bodies are any good at keeping databases. SSEPD would do a better job of keeping it up-to-date and it would be used properly." 	<ul style="list-style-type: none"> "Isn't this the role of the company to do anyway? How come customers are being charged to help poor people." "It strikes me that all of these options are and should be business as usual, DNO's should be doing all of this already." "Isn't this a service you are obliged to provide in order to meet Ofgem's requirements, if so why are you asking customers to pay more to provide it?" 	<p>Whose responsibility is this?</p> <ul style="list-style-type: none"> All supported this but there were questions as to how this is currently managed. "Whose responsibility is this?" <p>Difficulties in identifying people</p> <ul style="list-style-type: none"> Request to know how 'vulnerability' was defined. Suggestion was to look at 'medically vulnerable'. Thought to be a need for a shared understanding of the term 'vulnerable'/'priority' customer across those sharing the data. Emergency planners have lists but they are not always accurate as people are self presenting and not necessarily the ones in need. People and their behaviours will change as the technology becomes more advanced. Smart meters will become a massive educational tool for load reduction and the cost implications of high usage in the home. 	<p>Key Theme: The greatest level of support (33%) was for Option 2 (i.e. work in partnership with other organisations to share information). However there was also significant support for Options 1 and 4.</p> <p>Our Response: A great deal of our work with Priority Service Registered customers is business as usual however, we want to ensure that our information is current and accurate and widen the criteria for the register which we feel is currently too narrow. This will mean that customers who are considered to be vulnerable during a power cut are identified. For instance this could include families with new babies, special need schools, and residential homes etc. We agree that working with Partners will enhance the service to ensure we are in a 'capture all' situation. We already work closely with 3rd party agencies during extreme weather events or prolonged supply interruptions, this approach has proved successful and will be built upon to ensure we target work effectively. We have examples from the extreme storms in Arran and Kintyre in March 2013, which show how this can work in practice. We do feel that a dedicated PSR team will enhance the service by maintaining data accuracy and interaction with third parties. We also acknowledge that all organisations have a duty of care and there is duplication of work across Utilities therefore the sharing of information will ensure efficiencies and accuracy. Given that registration with Priority Service Registers across the board is voluntary but necessary for medical reasons, we should ensure that data protection issues are mitigated. We also plan to invest in 'Vulnerability Packs', which will contain wind up torches, blankets, food and fresh water.</p> <p>Many of the activities that we undertake for PSR customers do not incur additional costs as they are factored into our business plans already however, there is a need to invest in technology to ensure we have a database that will allow us to evolve and be future proofed to allow for automated payments and improved customer contact management.</p>
Option 2: Work in partnership with other organisations to share information	33%	<p>Support for working in partnership</p> <ul style="list-style-type: none"> Many thought this approach made sense. "Electricity distribution companies should not assess social [societal needs] and so external support is needed. Option 2 is essential." "Option 2 has to happen. SSEPD have to work with others." "If you [SSEPD] have a list of all our customers who are vulnerable PLUS the list held by other agencies it is less likely people will be missed when it matters. This duty of care has to be shared across a wide range of organisations." There was an acknowledgement amongst group attendees that SSEPD should increase its level of partnership working with organisations who specialise in working with disadvantaged groups however, they need to take a proactive approach. Other organisations will have the knowledge which is needed to identify and help this segment of customers. Great option you should work in partnership with other organisations to keep the 'list' updated. Would help keep information up to date. <p>Work more closely with electricity supply companies</p> <ul style="list-style-type: none"> "Whatever system you [SSEPD] set up, it needs to be kept up to date". Wondered how SSEPD intended to achieve this. Indeed, how did other agencies keep their data up to date? "If the suppliers have more interaction which we know they do then it should be their responsibility to update and advise DNO's of this information. Improve the communication with suppliers." "What are supplier's obligations regards PSR's? Surely this would be down to them or an external government body to update and advise affected businesses like DNO's?" There was a feeling that this should not be dealt with by DNOs but perhaps by suppliers. 	<p>Data Protections concerns</p> <ul style="list-style-type: none"> Data protection is a concern and a reality. Getting consent from vulnerable customers to have their details held for these purposes could be challenging. May be an issue with this option. "Databases like this are not the role of SSEPD to manage. Surely this is the duty of Government. I'm not sure that this is the role of a commercial company to provide a public service." Data Protection and gaining consent for details to be held were cited as potential issues. Some organisations may not be happy to share their data with another organisation. 	<p>There is a need for co-ordinated approach across Distribution Network Operators</p> <ul style="list-style-type: none"> Others considered that DNOs could have a central lobbying role on the issue of sharing information for the benefit of supporting vulnerable customers. The Electricity Networks Association should get an industry wide view. In future you should conduct all the votes with and without the costs added. Within this event, a lot of the decisions are being made based on the cost and not what's best for both the business and the customers. Surely customers who need machines to help them live would already have back up batteries in these situations. 	

Which is your preferred option for improving our service to Priority Service Register customers? (Continued)

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unresponsive of option	Other points	Our Response
Option 3: Training on spotting vulnerability for staff	16%	<ul style="list-style-type: none"> Staff should be trained to work on an integrated system with other bodies. This would help ensure that those who are not 'vulnerable' are not placed on the register. "Any work that SSEPD could do to improve the lives of customers should be done." Supportive in principle but need to be clear how 'vulnerable' is being defined. Could be complex for staff, however experienced, to discern this reliably and consistently (e.g. hidden disabilities etc). 	<ul style="list-style-type: none"> "This shouldn't have to be an option, it's a basic skill of a customer service advisor – asking this is ridiculous." "If this is included in SSEPDs annual investment – without a cost to the customer – and they don't profit from this work – then I've got no problem with it." There was a feeling that any staff training should be done very carefully with good systems behind it. One respondent noted that the vulnerable and frightened will not always pick up a phone and dial a number so wanted to know how we envisioned identifying these people. 		
Option 4: All of the above	25%	<ul style="list-style-type: none"> Questioned whether the investment was justified. "This is moving in the right direction." "Let's face it. This has to be done." "This is good if we look at this in the context of savings elsewhere in the system." "Either do the job or don't – it is option 4 or nothing." Another person commented "... do it right, do it all – option 4." "The human cost of doing nothing far out weighs the small financial cost of implementing cost option 4". 	<ul style="list-style-type: none"> "This is something we ought to do." "Think we're all in agreement that this database being out of date or incorrect is concerning but it should be a government body or some such updating this, not the DNO's directly." 		

Do you agree or disagree with our proposed approach to helping the fuel poor?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unresponsive of option	Other points	Our Response
Strongly agree	26%	<p>Moving in the right direction</p> <ul style="list-style-type: none"> • “Both schemes are moving in the right direction regards innovation and efficiency, I’d love to hear how they perform and what the results are.” • Generally participants agreed there was a large risk of no one delivering or being accountable in situations where everyone is responsible. • In terms of the energy coaches, anything that helps with fuel poverty was thought to be a good idea. • “The hardest thing will be convincing people to maintain their behaviour change.” • “If you can store the energy better then this [energy storage in homes] option is a great idea.” • “So the poor people have to buy the kit in the first place to get SSEPD’s cheaper energy. To me it sounds like you’re giving heaters to poor people and then asking them to use it at different times of the day.” • “I think it’s good to do. I guess it’s about learning from NINES and then ensuring it is then transferred to other areas that work in the way that benefits that area.” • “Anything that better uses existing technology to reduce costs and improve efficiency is great and should be firmly supported, I’m impressed at both these schemes”. • “We’ve got a massive base of customers and both these schemes could have huge effects on how we assist those customers and manage energy consumption overall. I’d be really interested both to see how they go and get involved with pilots if they’re successful.” 	<p>Not a role for a DNO</p> <ul style="list-style-type: none"> • Some participants considered that DNOs should not get involved in “fuel poverty”. This is beyond the role of DNOs to reach “beyond the meter.” and “I think SSE[PD] are taking one step too far here, they are only a DNO it is not their responsibility to advise on these issues”. • “Why duplicate a service that many other organisations already offer, you would be better focusing your energies on working with community based organisations such as Energy in the Community who already have built up substantial contacts within the communities they work”. <p>What will this work cost are there other solutions?</p> <ul style="list-style-type: none"> • Sounds like a good idea but would be interested in how much this option would cost your average customer, as this would heavily influence the decision I make. • “Isn’t this based on excess generation and we ought to be looking at how to distribute it to those that need it most?” 	<p>Participants hadn’t heard of the term fuel poor before</p> <ul style="list-style-type: none"> • There was a general lack of understanding around this topic – who was fuel poor, what it actually meant in practice etc. • “Why are the fuel poor ‘fuel poor’? I think there needs to be a better understanding about what this term actually means.” • Fuel poverty customers do not have the money to insulate their homes and buying energy saving products as products like this cost more than the average line of goods. <p>Mistrust</p> <ul style="list-style-type: none"> • There was a feeling of mistrust amongst some in relation to the motivation of energy companies in relation to fuel poverty. Were such initiatives designed to reduce fuel bills or to make things easier for network management? • It was suggested that perhaps the reason SSEPD has been asked to contribute in this area is down to the failings of the supply business. <p>Need for partnership approach</p> <ul style="list-style-type: none"> • More engagement with other utilities • Recognising that there is a stigma attached to fuel poverty, it was suggested that SSEPD take a collaborative approach to work with communities on this issue to try to access and support people who are fuel poor – co-produce a solution that ‘fits’ the needs of specific communities – need for a tailored approach to tackling fuel poverty in different areas. • Suggestion that SSEPD needs to be careful how it implements any of its initiatives. The question was asked: “Who is the ambassador for the ‘fuel poor’?” Felt there was a risk of creating yet another player in – what was perceived to be – an already cluttered field. <p>There is a need for education around energy use and efficiency</p> <ul style="list-style-type: none"> • “... it is incumbent upon us all to take social responsibility... [we] need building standards to be more energy efficient...”. It was suggested that SSEPD could have a role in lobbying for this, “... important to do the strategic things”. • A further suggestion was to empower people who are fuel poor by providing them information on energy efficiency for their home and incentivising them to participate in insulation schemes. It was suggested that this empowerment was done at community level. • Might be best to ‘knock at the open door’ – people who are likely to embrace ways of reducing energy use – when doing new things, and prove that certain concepts work first, then use that learning to help fuel poor customers benefit from it. • Society needs to: <ul style="list-style-type: none"> – improve energy efficiency in homes – change behaviours and their perception of energy. – stop taking electricity for granted and need more of an understanding around the value of energy and learn how they should use it properly. • “This is not only an issue for the fuel poor. Everyone’s needs to be altering their behaviours to use energy more efficiently.” • “If this is about behaviour change then it’s a huge problem – not just for SSE[PD]. What is the impact of these programmes for energy use? Anyone know?” • While the scores show that there was support in principle for supporting people who were ‘fuel poor’, much of the discussion centred on the confusion that exists for customers in relation to this topic. 	<p>Key Theme: More than 8 out of ten of the participants (81%) agree with our proposed approach to assisting people who are fuel poor by working in partnership. However, there was wide spread agreement that there was a need to educate all customers in energy efficiency behaviours.</p> <p>Our Response: We will continue our current approach by working with partners to aid education and adopt referral processes for those customer identified as fuel poor. Whilst developing the understanding of developing who our fuel poor customers are we will be able to tailor the service we offer. We will work with third parties and local communities to develop low cost energy solutions either in terms of consumption or new connections. Smart Meters will help identify consumption patterns and therefore help to educate customers as to the most efficient way to power their homes.</p>
Agree	55%	<p>Other ideas</p> <p>Customers also suggested a number of additional measures which they considered would help people who were fuel poor:</p> <ul style="list-style-type: none"> • “We need to build and retrofit homes so that they are better insulated. Then you reduce energy consumption. As a consumer, it is easy to see how insulation helps. More complicated structural solutions like cavity wall insulation are more daunting”. • “This is an area where SSE[PD] can lead the way, however they not only need to look at domestic customers but also need to look at small business customers who find it difficult to meet costs”. 			
Disagree	15%				
Strongly disagree	4%	<ul style="list-style-type: none"> • “Let’s look at energy centres. There’s one in my local town where an energy centre helps people that walk in and want to know more. As things get more complex, it’s important staff are up-to-date with how to specifically help fuel poor.” 			

Do you agree or disagree with our proposed approach to keeping people safe around our network?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unresponsive of option	Other points	Our Response
Strongly agree	41%	<p>There was widespread confidence in SSEPD's safety record and practice:</p> <ul style="list-style-type: none"> • "SSE[PD] knows what it's doing regarding safety"; • "SSE[PD] is seen as a leader in our industry and is well regarded – you should be proud". • "Leadership and pushing it down into the employee workforces is the key to getting ownership and a culture throughout the company." <p>"Engaging agricultural groups is very beneficial."</p> <ul style="list-style-type: none"> • National Farmers Union is a good example (of SSEPD working in partnership with others on safety) and working with schools to educate. • "Farmers know the issues around but forget when they are focusing on something else, like harvesting a field. Therefore I personally think that these stickers are a very good idea. What may be worth thinking about is changing the colour of the stickers on a yearly basis to remind farmers that they are there." 	<ul style="list-style-type: none"> • "Accidents will happen. I know there's a zero tolerance by SSEPD but it's inevitable." • "This needs to follow a risk assessment. Putting a sticker in a cab is something to do, but how do SSE[PD] know that this is the thing that creates the safety impacts anyway?" • "No one can oppose greater safety, the thing is to keep it safe." • "There is a point to say where does your responsibility end? The NFU is a national organisation. It's a leisure organisation – surely it's for them to keep their membership safe?" • One person clear that as long as we complied with our responsibilities regarding clearances etc. that farmers and machinery operators etc. were entirely responsible for their own safety. Similarly, they thought that responsibility for children's safety lies with parents. 	<p>Need to keep campaigns fresh</p> <ul style="list-style-type: none"> • There was a general feeling that SSEPD needed to re-invigorate our safety signage as it has lost its effect. "Need to change the media from time to time... otherwise the message gets' lost." • Suggested use of 'dynamic signage' was mentioned, something that changes each time. • It was suggested that SSEPD start internally – "be aware of your own obligations" – and ensure that its own staff were fully conversant with, as well as consistent and thorough in their application of the safety regulations. One participant suggested that they had experienced lack of knowledge and lack of consistency in this area amongst some SSEPD employees. In their opinion, "[safety] training needs more consistency... [SSEPD should attach more] importance to this... take a stronger line if it [knowledge and consistency] is not up to standard... define and operate the procedures... be more aggressive with HSE... [where necessary] take action". <p>Extending the safety family concept to everyone</p> <ul style="list-style-type: none"> • Suggested SSEPD actively promote the use of 'safety challenges' i.e. where people can openly challenge one another on the safety of specific aspects. • Could SSEPD use proximity sensors (a light and/or sound) to alert drivers etc to power lines etc. [as well as just having them on the network] • Suggested that literature is issued to key stakeholders to issue to their members (perhaps as part of a new member/renew membership pack?) e.g. issue information to angling club members to draw attention to cables etc. • Suggested that SSEPD think of the needs of non-English speakers given the rise in the number of migrant workers. Considered there to be a need for information in other languages. • Work more with schools, sports clubs and councils to educate regarding safety. • Also work with contractors who are the 3rd parties who get hurt. • Suggested that SSEPD could do local safety research prior to installing plant/putting equipment in. <p>A joined up approach</p> <ul style="list-style-type: none"> • There should be a collective approach to safety by all the DNO's to identify and control safety concerns for the good of all the UK, not just specific DNO's areas or groups. Share best practice. • There was surprise that incident numbers were so low – some thought low enough, could never achieve zero – law of diminishing returns applies, so we shouldn't spend any more on this. • Some thought we should aim for zero incidents. <p>Other ideas</p> <ul style="list-style-type: none"> • If we did more to publicise that we pursue the damaging third parties for costs that would encourage safer working. • Question raised about whether metal theft was an issue and if so we should tackle that to improve safety. • General feeling that our actions should be proportionate to the size of the problem. • "You need to do more around public education and awareness (adverts?). I think whatever you are currently doing needs to be improved because it's not enough." • Share experience on projects with your staff and your customers like farmers around things like, lessons learnt. • There's two groups which we need to look at; <ul style="list-style-type: none"> – The customers/the public – with this segment you need to focus on improving awareness and communication. – Farmers/operational – You should conduct training to teach them about the dangers and what to do it something does happen. • It would be good if there were up-to-date maps available for customers (farmers etc) which show where the lines/cables are around their area. 	<p>Key Theme:</p> <p>The overwhelming majority (94%) agree with SSEPD's proposed approach to keeping people safe around its networks.</p> <p>Our response:</p> <p>We will consult through our ongoing engagement activities with high-risk groups such as agricultural workers, contractors and young people to establish the most effective way of communicating with these groups to increase their understanding of the risks involved and how they can keep themselves and other safe. We have several innovative options which may contribute to improving public safety and these are identified in our innovation matrix, including sensors on our cables which alert us to digging in proximity to underground cables and cameras on overhead wires where there are a lot of tipper vehicle movements. We will continue to collaborate with other DNO's through the Energy Networks Association SHE safety group.</p>
Agree	53%	<p>Delivering on Safety in RIIO-ED1</p> <ul style="list-style-type: none"> • Generally participants believed that targeted education is a good idea and practice, but it needed to be "led from the front"; and "Senior manager involvement is key, install the principles and drive change from the top." • Some suggested using specialist press to get targeted messages on specific safety messages to defined groups. Also raising awareness in communities by putting posters on local notice boards or websites. • "Prompts and repetition of information are powerful tools with culture change." • "Clarity – where does the responsibility for this lie?" • "You can take it really too far sometimes. But then, educating behaviours does work. Because of the 'handrail signs' I always hold this and saved falling down stairs when my heel caught in my coat." 			
Disagree	6%	<ul style="list-style-type: none"> • Commercial organisations are governed by the health and safety at work act so you would assume that they would risk assess a situation and talk workers through the assessment. Can see the point of working with groups who are doing things for recreational ideas; or speaking to school children. • Stickers in cabs are a good idea. Like the fact you are proactively working with manufacturers. However, people will get familiar with it and stop seeing them. You need to keep it fresh and keep innovating to ensure people keep hearing your message and "Consequences have to be made clear if people don't follow the culture. [People will] fatigue to signs [and the signs] really become wallpaper after a while. Keeping it fresh needs to happen." • Object to seeing yellow signs on all the pylons and poles. Why doesn't the planning system just demand larger clearance? [In other words, can planning policies be used to ensure safety?] • There is a personal responsibility element to this debate. 			
Strongly disagree	4%	<ul style="list-style-type: none"> • Introduce more Toolbox Talks focused on safety issues at large scale industry events and give talks to larger building contractors who are persistent offenders when it comes to hitting lines or digging up cabling. • More analysis by SSEPD to identify high risk areas. • SSEPD should consider a more standardised approach and involving other DNOs including sharing learning and experience • Very supportive, you need to do more to educate customers about this. 			

Which is your preferred option for helping you connect to our network more quickly?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
<p>Option 1: Only reinforce networks to allow quicker connections where it is underwritten by those wishing to connect</p>	46%	<ul style="list-style-type: none"> Considered that if a quicker connection was required then customer should be required to pay for it. "We [customers] have no problem with this... we're the ones generating the need for connection... willing to pay our share". Supportive because of a concern that to do otherwise would not be cost effective. Concern about investing ahead of need – incurring cost – and then there possibly being a poor take up rate. "This [is] about performance planning." "SSEPD will be recovering the costs and making money on it, but then we all know this investment needs to happen." "But then SSEPD is constrained with the system it's operating in. The problem is the salami slicing in future between the companies and the system. Just how do they plan this is a question for me." "Yes – it is commercial thing from which the developer will benefit a lot financially – they should pay themselves if they want a speeded up connection". 	<ul style="list-style-type: none"> "Developers seem to stand the cost of all these things anyway." "Again the customer is paying, but then, it's them that want/need to enhanced usage or changes to their energy use and generation." "I need to understand the nature of the changes more. How are you coping with these connections now? You must be doing that already." 	<p>Need for more information</p> <ul style="list-style-type: none"> "How much slack is there in the system? I would like to know this before commenting further." More detail on this topic would have been helpful to stakeholders/participants so that they could feel more informed and support them to make a decision. Some participants requested a full needs assessment [business plans and case behind the strategy] be made on this and that the data published. This would allow customers to understand trends and make predictions. Many general questions about how the connections / investment process works. <p>Let customers know what connection capacity is available</p> <ul style="list-style-type: none"> Developer: "I can't get on the network as the constraint is on the transmission network so these options don't help me". "Be helpful to know what capacity is available on the network. At the moment you apply for 12MW and it is knocked back as only 10 MW is available. Nobody tells you this though and you have to reapply and take a guess. Thing is if you told me there was only 10 MW available, I would probably take it. Why can't you just tell us?" <p>A middle ground</p> <ul style="list-style-type: none"> Is there another option – between 1 and 2? i.e. potentially some middle ground between both parties, a strategic collaboration rather than a financial approach... "Nothing gets done unless you pay, there needs to be a more dynamic process in place." The process currently stops when work is agreed and nothing is done before a payment – we [customers] need more communication and commitment. There is no graduation in the proposed options. Proposed that there was more "collaboration to get [customers on to the network] on a timely basis". "Think that we should pay SSE[PD] to make us [customers] a connection offer... would like more information exchange before the connection offer... need a graduation of the process... could use working under indemnity". Feel there should be more pressure on 'connections' function with SSEPD, "companies under pressure to accept connections". "There should be a proactive planning strategy to identify and concentrate on these areas at no extra cost." <p>Views which were specific to Newbury</p> <ul style="list-style-type: none"> There were concerns about paying for SSEPD's investment decisions when the key beneficiary will be SSEPD in the longer-term. "I would suggest that you improve the areas of low capacity anyway as they will need to be improved at some point." SSEPD could get a better understanding around the risk of losing the money by developing networks which are not needed. SSEPD should first spend some quality time identifying the area that guarantee that this network development is needed and subsequently will be used. 	<p>Key Theme: Opinion was split on this issue. Whilst just over half (54%) prefer Option 2 (Based on planning, market and business intelligence invest ahead of need and reinforce selected networks to allow quicker connections), close to half (46%) prefer Option 1 (Only reinforce networks to allow quicker connections where it is underwritten by those wishing to connect).</p> <p>Our Response: Following this and our other stakeholder events and engagement we recognise that although our customers want to be connected quickly they do not feel that all customers should pay for this. Stakeholders are particularly uncomfortable around the risk that we reinforce in the wrong places, at our customers expense. We have therefore modified our plans to more closely reflect this middle ground. Historically we have only reinforced where absolutely justified and underwritten by connecting customers. During RIIO ED1 we could have proactively sought out and identified areas with no remaining capacity and reinforced ahead of need, offering efficiencies and time savings but risking over-investment. We now propose to only invest where either these costs are underwritten by connecting customers or at least where connecting customers are willing to enter into an agreement to underwrite the additional costs should they not require the capacity. Additionally we will offer flexible connections to avoid or delay reinforcement costs until absolutely necessary. We will quantify the benefits from this approach in our Annual Connections report and continue to explore the available options to improve this approach.</p>
<p>Option 2: Based on planning, market and business intelligence invest ahead of need and reinforce selected networks to allow quicker connections</p>	54%	<ul style="list-style-type: none"> "This is the most pragmatic approach... would bring best practice to the DNO market." To be "sensible... needs to be based on [good quality] planning information". Need to take a long term view of cities/urban areas, "If the power [connections] are not there, it could hamper investment... We want invest here [in connections]... want to be 'network ready'... [This option] stimulates the right economic behaviour for UK plc." This option "provides more scope for intelligent network planning... [makes things] easier in the future." Relies on strategic planning of the network overall. "The biggest bug-bear for developers is the fact of waiting for enhanced connectivity from the distributor. Anything that can make my life easier on this I'm for!" "Because of electric cars and solar generation at a domestic level, it's like Network Rail: they've got to invest in their future capacity as well as their existing one". "High Voltage and Extra High Voltage networks take years to install so it makes sense to take a proactive approach and plan for the future but needs to be based on good quality planning information". "Yes – cost is low". "16p is not a massive amount of money in relation the benefits which this option can bring". 	<ul style="list-style-type: none"> How can SSEPD make accurate estimates of future demand? e.g. "If we all get electric cars... what is the infrastructure's 'tipping point'?" Basically, how accurate are any assumptions used in forward planning. Suggested that such models need to be carefully scrutinised and open to challenge. Could Ofgem challenge SSEPD on possible overprovision if investment takes place ahead of actual need? Recession is a factor in terms of investing ahead of need. Are people reluctant to spend unless actually needed? "Have a forward plan that does not cost too much!" "Why wouldn't shareholders [rather than customers] pay for this risk [investment]? Large data centres take two year to build and sign up anyway; so it's not a problem for these customers anyway. I think the developers are the ones that will lose out on this. At the moment reinforcement will be paid by the initial customer. SSEPD ought to be looking at targeting of customers in a more effective way." "You're asking customers to pay for this again. These things ought to be planned ahead of time anyway." "What sort of improvement would be made for customers if this was done?" "Again I'm not sure that everyone should foot the bill for this as again only certain areas would benefit, it's unfair." "Housing is a social function; reinforcement is and should be paid for by the DNO's. It's their responsibility and should be exactly as it was when the networks were state owned." How do community organisations fit in – they are going to take the hit if this is implemented. "You made a big thing of how it is your job to keep the lights on. Power stations are being decommissioned so renewable are able to bridge the gap" and "Why do you want me, a domestic customer, to pay to help a commercial customer, who wants to generate, make money". Another participant responded by saying "is the need to keep the light on not enough?" There is a lot of risk involved within this option. There is a lot of money which could be used/wasted and in the end the system could be no better off. For developers, option 2 is great. For the average customer they would probably argue that their local councils should be the ones paying for this and not the customer through their energy bills. Could not see the benefits of faster connections other than the financial gain for developers. 		

Which is your preferred option to enable connections?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
Option 1: Wait for full connection capacity to become available	30%	<ul style="list-style-type: none"> “I can’t see anyone wanting or needing a flexible connection, the whole idea is ridiculous. The best way to reduce usage is to rate and fuse at the meter. If load goes too high the meter cuts out until load has been reduced – you charge the customer based on their loaded limit.” “Technology needs to be tested and pushed out there so that consumers become more aware of their usage.” 	<ul style="list-style-type: none"> “The problem with this is that it’s complex. It’s got to be made simple.” “It’s the inconvenience of doing this.” “It’s partly awareness. I just put my dishwasher on this morning. I could have done this at night. I need to check my own behaviour and I work in this industry!” Your property would become very hard to sell and would probably also reduce in value. 	<p>Technology ready but are customers?</p> <ul style="list-style-type: none"> Perceived that the technology is ready – to make ‘flexible’ connections available – but the market (particularly domestic customers) was thought to be not yet ready to embrace this. Felt that the appeal (or not) of any ‘flexible’ connection would depend entirely on customer needs. There was an overall feeling that customer behaviour – particularly that of domestic customer – would be difficult to change in relation to ‘flexible’ connections. Thought that “the commercial market... would understand [i.e. see the business benefits and financial savings from a flexible connection] and would make a decision [i.e. request a flexible connection]”. Could not envisage domestic customers doing this. Customers may need time to become more familiar with the idea of ‘flexible’ connections and develop confidence in them. Belief that as energy costs continue to rise, so do customer’s expectations of a high quality continuous service, “they [customers] are spending a lot... expectations rise”. In this context, any proposal for a ‘restricted’ service could seem less attractive. Considered the above three options were “not the way to present the options”. Perceived that there are other options to consider such as dynamic line rating. There was support for this because it was thought this would reduce the number of pylons, “anything that introduces more dynamic use of the system... get on with it as much as possible”. In relation to active network management, the question was asked, “Who is the network [management algorithm/process] serving?... locally, regionally... nationally? ... This comes under economy and efficiency ... its more efficient to have [parts of the network] constrained off ... but what’s more efficient overall [in terms of active network management]? ... [SSEPD] need to explain the decision making process [around active network management] to people...” Perceived that it would not be preferable to look at the actual energy needs and provide for these rather than over-provide [in some aspects] and then ‘manage’ this ‘out’ of the network? “I think you should look into developing and implementing community grids. Where customer creates, share and store the energy they are using as a community. Customer use energy at different times so the energy which one customer has generated will not be wasted because another customer could be using it.” Lots of questions about what this means – people found it difficult to grasp the concept and have an informed opinion. <p>More information required</p> <ul style="list-style-type: none"> More information requested on who pays and how and when they pay – for lifetime of development? One-off cost? “I am out of my depth on this one.” 	<p>Key Theme: Opinion on this issue was quite diverse. Almost half (47%) prefer Option 2 (Flexible connection with unrestricted access as soon as network has capacity), close to a third (30%) prefer Option 1 (Wait for full connection capacity to become available), whilst just under a quarter (23%) expressed a preference for Option 3 (Flexible connection with restricted access for the life of the connection). Despite the spread of votes across the options, most of the group discussion (at both events) centred on Option 2 and ‘Other points’.</p> <p>Our Response: We will be offering flexible connections in RIIO-ED1 based on feedback from this event. Our First and Second Consultation Papers, Focus Groups, the on-line survey and the street and telephone survey. This innovative approach matches our company values to offer choice and flexibility. We will quantify these offerings and the improvements in cost and time in our Annual Connections report, identifying to customers what this will offer them.</p>
Option 2: Flexible connection with unrestricted access as soon as network has capacity	47%	<ul style="list-style-type: none"> From a user point of view, some demand customers could really benefit from this e.g. a farmer who wants to dry his grain in late summer. From a producer viewpoint it depends on what you use to generate energy e.g. not so good if you are dependent on the wind as you can’t black start. It will be for each connection customer to conduct a cost benefit analysis. “It’s about getting that level of awareness up. Usage at peak times will become a massive issue.” “Although these things seem small, replicate that across a generation that have been spoilt for energy, then you’ve got a problem.” “Going back to SSEPD’s energy coaches – this could be a job for them to do.” “This suggestion generates the opportunity to start discussing or debating “the Smart Grid concept” which I welcome. The fact that SSEPD are exploring these options is very exciting and demonstrates out of the box thinking which may lead to the biggest fundamental change in how we use power in the future.” This was regarded as a sensible option. 	<ul style="list-style-type: none"> Perception that a “huge [customer] education process” was required before this could be a reality – “Takes a lot of effort to educate people... people would need to know what’s available... [an option like this] has to come with information... [need to] under their [the customers’] expectations [of what ‘flexible’ means]...” Principle is sound enough and might work in some instances and it is good to have the option. Good option if you have a site and the loss of revenue makes it a good option. Thought that customers needed a means of opting into and out of a flexible connection e.g. “if such a connection no longer met their needs. I think usage and load reduction is best approached by education and information, this (flexible connections) isn’t the way forward.” “If you do want more power then you pay for it. New customer tariffs for this could be made. They do this in Italy. You get basic tariffs that everyone pays for. If you’re a high energy user you pay additionally. Over here, they have cheaper tariffs for higher energy use. It’s going to have to change consumers.” Why pay more for a lesser connection? 		
Option 3: Flexible connection with restricted access for the life of the connection	23%	<ul style="list-style-type: none"> Liked the concept of flexible connections. However, perceived that those customer expectations needed to be managed when it comes to restricted access. “It’s simple. If people need more energy they need to pay for it. We should incentivise people to lower their energy use. That’s what will make the difference. Restrictions will be the norm. It’s the way it is in Europe anyway.” 	<ul style="list-style-type: none"> “People would need very clear information on what ‘restricted’ use meant in practice”. “I can’t see how anyone, developer, commercial or domestic customers alike could manage having a supply only at times of lower load. I can’t see why this has been suggested.” “Principle is sound enough and might work some instances and it is good to have the option.” “Good option if you have a site and the loss of revenue makes it a good option.” “The decision on the best option has to be a case by case justification. There will be a need to balance up the options. Renewables Obligation Certificates and the Feed-in tariff financial returns are hard to predict so when you get connected can make a 4-20% difference to your bottom line.” 		

Which is your preferred option to reduce the average number and duration of interruptions in RIIO-ED1?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
Option 1: Continue existing network investment and fault response policies and meet Ofgem targets	61%	<ul style="list-style-type: none"> • “The numbers from the presentation were helpful. Do SSEPD get penalised from Ofgem about interruptions of supply?” • “I’d be annoyed if I was cut-off for 2.5 seconds! Sure most would be.” • “It’s crucial. Network resilience is important”. • “It seems to be that only a small number of customers will benefit from a small decrease in the number of interruptions ... that said, leave the oven on overnight and it will cost you more!” • “Nobody is 100% perfect, some are going to be inconvenienced.” • “It seems to me that you are asking me to add to the cost of my bills to stop something that might not happen.” • “May need to reflect changes in the weather as a variable.” • This option sounds like it’s already doing well and will achieve what Ofgem is asking for. 	<ul style="list-style-type: none"> • “This depends on the length of interruption for customers. Some areas will be worse off. London will get 100% supply with notified interruptions. Rural customers are most affected aren’t they?” • “It’s also about the facts as to where SSEPD are in the league table.” • “Unplanned interruptions are really the issue here. Look at Scotland at the moment. We’d need to know the range of interruptions and who is affected to decide on this topic.” • “Customers shouldn’t have to pay for SSEPD penalties made by Ofgem because you haven’t done your job.” 	<ul style="list-style-type: none"> • Did not feel ‘qualified’ to comment, “...difficult to give an opinion [on these options] because we’ve had a very reliable service... and its getting more reliable” • Acknowledged that, whatever investment is made, expecting never to have an interruption was unrealistic. <p>Representing views fairly “I’m a bit worried about saying yes to some of these costs, as they are estimates. What happens here if we say yes – that’s only 30p, but then SSEPD turn around and say well it’s now £1.30 and we’re all paying for a whopping amount? It’ll be in their business plan and so they’ll be given the go-ahead to press ahead with additional expenditure we didn’t agree here.”</p>	<p>Key Theme: The majority (61%) prefer Option 1 (Continue existing network investment and fault response policies and meet Ofgem targets). However, a substantial minority (39%) prefer Option 2 (i.e. Option 1 PLUS Automatic fault restoration schemes and shorter average interruptions).</p> <p>Our Response: We recognise that customers want to see less frequent interruptions, and quicker restoration times but are generally not prepared to pay a premium to see this improve substantially. We have successfully implemented schemes to install automatic switching on our networks during the current price control and will look to build on this further during the RIIO-ED1 price control period where this can be carried out at a marginal cost. We recognise that Ofgem does not wish to agree an allowance to fund such Quality of Supply works ex ante but looks to encourage such investment through the Interruptions Incentive Scheme (IIS). This will see some improvements in automatically restoring supplies to our customers on parts of the network that are not in the faulty section, without incurring significant costs to be funded. We believe that this meets the direction provided by stakeholders.</p>
Option 2: As Option 1 PLUS • Automatic fault restoration schemes and shorter average interruptions	39%	<ul style="list-style-type: none"> • Support for option 2 as it offers a good value, long term investment. Perceived that there “was no other option... either we pay a premium as an individual customer (for our supply to be restored) or [SSEPD] go the extra mile and put in extra switching... this has a chance of having the power restored in 30 minutes rather than 4 hours”... [By investing in this] everyone gets a better service”. Ask someone who has just, or is experiencing, an unplanned interruption; if they would like to spend an extra 35p per year to reduce the likelihood of having one again by 3% and you will get a different answer to the one from someone in an urban area who can’t remember their last unplanned interruption. • Some participants thought that option 2 was a good idea. “Go for option 2, it is the best solution. You should do the best you can.” • Perceived that “reliability is an important factor even for customers with generators”. • Suggested that such restoration schemes are targeted at areas experiencing higher levels of power cuts (thought to be rural areas). • Supportive as long as SSEPD was still “refreshing the network [and that this option was not simply] patching up problems... as long as [this is not simply] propping up the network”. • Thought it was important how this option would be “messed” to customers. • SSEPD need to clearly articulate to customers “the costs versus the benefits and when these are delivered”. • “I’m struggling with the figures [on estimated improvements to reliability]”. SSEPD needs to provide actual performance data to back up any claims of improved reliability under this option. Customers will want to understand the scale of the benefit they are being asked to invest in. • “It must be of value to the customers... otherwise it will be the bill just going up and up and no change [improvement in the service provided]”. • The timing of any such message needs to be carefully considered e.g. should SSEPD communicate with customers on this in the wake of major power cuts/prolonged outages? Might there be a different appetite for this proposal then? “If you’re dinner is in the electric oven and it went wrong you’d be [...annoyed].” • “At that level of investment what would be the benefits? How many customers would be affected?” [facilitator: “It’s estimated that 3-5% of customers will benefit”] • “I live in the rural areas. I get this. But I’m not prepared to put cost onto other customers. Strive for quality all the time. The costs [being presented] are not outlandish but I would need to be assured that I was getting value for money.” • “Long term, if we can smooth demand, allow generation to run more efficiently – spending £10 but saving £35 is a huge benefit and worth paying for. I would like the options to explain the benefits of each option in this way. Pushing the peaks for demand down will reduce the amount of reinforcement you do and save a lot of money.” • Automatic system will have a significant cost saving, especially around staff costs. 	<p>Costs appear to outweigh benefits ... how are efficiencies used?</p> <ul style="list-style-type: none"> • Felt that whilst there was a very small percentage change to pay, the overall reliability would only increase marginally. “It’s not really for all customers. Just a very small few.” • “This is quite an increase in the number of pence spent in relation to overall benefit”. • The actual benefit of investment didn’t seem much. • If there are potential savings for the automated faults then where does this money go and could you use this saving and reduce the amount you’re charging your customers? 	<p>Targeting worst affected areas</p> <ul style="list-style-type: none"> • “Targeting area’s worse affected is a fairer, better way of doing things.” • “But I don’t think we can go with targeting customers as that would mean the fuel poor would carry the most burden. As a politician, I couldn’t sign up [to that]. Sure Ofgem wouldn’t either.” <p>Costs versus benefits</p> <ul style="list-style-type: none"> • Difficult to decide as not clear what the benefits would be of the 35p investment. • Confusion about how this relates to Ofgem targets. • “I don’t think that the benefits outweigh the costs involved.” • “If we over achieve by using option 2 then won’t Ofgem just make the next price control objective even bigger?” 	

Which is your preferred option for asset replacement and refurbishment in RIIO-ED1?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
Option 1: Reduce current spend by 5% on replacement and refurbishment of assets and increase likelihood of interruptions by 1%	6%	What would be the impact of this option? <ul style="list-style-type: none"> • “What’s being done by SSEPD to maintain the assets now?” • “Are there cost savings from refurbishment overtime?” • “It is all about the proportionality of costs and benefits. Spending more on refurbishment reduces spending on fault costs.” 	Reducing spend on maintaining the network is a false economy <ul style="list-style-type: none"> • Some respondents felt it was a false economy not to upgrade or replace faulty equipment and just adds to compounded cost in the future. They couldn’t understand or rationalise option 1. • “If you have plant failure, it is not like the spare parts are sitting on the shelf. It will lead to more down time and you become very reactive rather than proactive.” • “Want to avoid overall deterioration [of the network]... [want to avoid] it falling to bits... generally regret it later [considered costs would be higher]”; and “If you’d don’t invest, you go backwards”. Hence, proposing a reduction in the amount invested in replacement/refurbishment was unattractive. • “You can’t do this one. Makes no cost savings really. Let the quality go and it will cost you three times as much to get you back to the level of reliability you had before.” • “We couldn’t condone accepting an option which could mean a decrease in reliability.” • Cannot even be considered as won’t achieve Ofgem requirements. “It’s a bit of a no brainer.” What would a 1% increase in the likelihood of interruptions mean for me? <ul style="list-style-type: none"> • Participants were not clear on what “increasing the likelihood of interruptions by 1%” actually meant in practice. • At the level of “1%”, some questioned if they would even be likely to notice any improvement, “Not big [enough savings to get bothered about [motivated to support]”, and “...1% doesn’t bring concern... it’s 5% of nothing!” Another participant commented “Is anyone going to notice a 1% increase or decrease in interruptions?” Do you future proof? <ul style="list-style-type: none"> • “When you refurbish, do you future proof at the same time? I want to know that type of information and the facts before I decide on this.” 	What does 1% increase or decrease in the likelihood of interruptions mean/need more contextual information <ul style="list-style-type: none"> • Participants were not clear on what “increasing or reducing the likelihood of interruptions by 1%” actually meant in practice. Participants would have preferred a more tangible; more readily understood expression of the impact of this option on customers. As one participant put it, “What does this mean for the average consumer? What is the return on investment?”, and another “Will this investment give you [the customer] a sensible benefit?” There is a need for SSEPD to express the value to the customer in a currency that they understand “need to look at value for money and the impact personally [on customers]”. What is the precise value to customers and is the cost sustainable and justified? • Others wanted to know whether when assets were replaced, where they replaced with the same or ‘better’ equipment. This was not clear from the information available. Are SSEPD not better to make this judgement? <ul style="list-style-type: none"> • Some were content to leave these decisions to SSEPD whom they considered were better informed to make such choices. • “My opinion is based on gut as opposed to judgement.” • “The [SSEPD] network engineers know the trade-offs better than me.” • “I would expect the engineers to judge this.” Can you spend more smartly and deliver more for less? <ul style="list-style-type: none"> • In general there was felt to be a need for a better targeting of any investment in asset replacement/refurbishment and to provide assurance to customers that this was the approach being taken. • “[SSEPD] need to be smarter about how [they] prioritise our investments in this area... more sophisticated modelling, targeting before investment decisions are made.” • Suggested that a condition based risk management system be put in place (if not there already). • Accepted that there can be a tension between customer’s expectations of a high quality service and the commercial reality of doing so within tight financial constraints. However, there was a view amongst a number of participants that having to provide a highly reliable service at a lower cost was a reality for many businesses and that SSEPD was potentially out of step in suggesting that the only way to improve reliability was for customers to invest more. • “Lots of companies have to reduce their budgets and still achieve reliability.” • “[The suggestion that we customers] give more money and you [SSEPD] will increase reliability... give less [money] and you [the customer] get less reliability... it’s very linear... this [way of looking at things] is not an equation in business anywhere anymore.” • “If money is saved, [via asset replacement / refurbishment] who benefits [SSEPD shareholders? or customers?]... [For example]... If it saves twelve million [pounds] where does that go?”; Another participant said that “This is the first question where savings are possible... are savings possible elsewhere [i.e. under any of the other options being considered].” • “[SSEPD] needs to look at a model for asset management”. • A lot of additional explanation was required. • “Don’t go for the Ofgem minimum, go for a bit more.” • “If it is going to cost me an extra 35p, I want to see it justified and know exactly what will be delivered.” 	Key Theme: Almost two-thirds (65%) prefer Option 2 (Keep current spend on replacement and refurbishment of assets). However, just over a quarter (29%) prefers Option 3 (Increase current spend by 5% on replacement and refurbishment of assets and reduce likelihood of interruptions by 1%). Our Response: Our Business Plans will reflect the feedback provided by the majority of our stakeholders in that we will look to maintain expenditure within the current levels, without increasing network risk. We will continue to consider options to refurbish our assets rather than to replace them where this provides improved value by deferring expenditure. This will be measured on a Net Present Value (NPV) basis. Our plans to introduce criticality assessment into our asset replacement decisions will also provide some improvement in network performance through prioritising the replacements and refurbishments towards assets that supply highest number of customers. We are confident that our asset replacement and prioritisation arrangements will continue to provide good value and efficiency during the ED1 period.
Option 2: Keep current spend on replacement and refurbishment of assets	65%	<ul style="list-style-type: none"> • “Need at least a minimum investment.” • “With option 2, at least you know where to make your investment.” • Perceived that current level was sufficient so “... why push further?” “On top of what they do, you’d be going for this option. It’s the only one that makes commercial sense.” • “Keep the status quo but continue to look at innovation and efficiency drives to continue to improve reliability.” • “Keeps spend at a continuous level. It’s part of planning.” • Performance is fine, but should not get worse. • Rather spend little and keep going forwards, instead of reducing the spending and increase the volume of customers off supply. • This is the best option as its improving the network and meeting Ofgem requirements. • “Do want to see it [the network] being progressed and maintained... if you [SSEPD] let the infrastructure [deteriorate] the country suffers as a whole.” 	<ul style="list-style-type: none"> • Perceived that option did not target (or specify that it was intending to target) individual assets which may otherwise be left to deteriorate. • “It’s about the impact cost of it. We’ve had some massive costs to the grid. It’s the cost of the storage of the energy. What’s the key to this?” • “As energy intelligence becomes more prevalent, this could well change.” 		

Which is your preferred option for asset replacement and refurbishment in RIIO-ED1? (Continued)

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
<p>Option 3: Increase current spend by 5% on replacement and refurbishment of assets and reduce likelihood of interruptions by 1%</p>	<p>29%</p>	<ul style="list-style-type: none"> • Although there was some support for this, participants were not clear on what “reducing the likelihood of interruptions by 1%” actually meant in practice. • “For the sake of 35p, the benefit is worthwhile.” • “We need to accept the fact that electricity demand is only going to increase in future and so is reliance so it makes sense to invest a little extra now to ensure reliability for the future”. 	<ul style="list-style-type: none"> • Did not seem much benefit for the cost. • 1% is not a big enough amount to apply this amount of money to customer bills. 		

Which is your preferred option for improving network reliability for SHEPD Worst Served Customers in RIIO-ED1?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
Option 1: No change to existing networks	48%	<ul style="list-style-type: none"> • “Still not convinced by the replacement programme. Are you looking to the future? It would seem sensible to maximise opportunities and lay two cables when you excavate to lay one. Ofgem should encourage you to join the dots as part of your business as usual tasks.” • “seems hardly worth it” – not much benefit at all. 	<ul style="list-style-type: none"> • “This in an inclusion thing [issue] ... rural areas are entitled to a decent service”. Perceived that remote customers should at least have access to reliable power. • “[Rural home owners] pay the same money for supply but they don't get the same level of service. Then again, they get more asset spend/ investment per customer.” 	<ul style="list-style-type: none"> • Reference made to the national investment in broadband on islands. Perceived that it would be nonsense if customers could have super fast broadband but not even have a reliable electric supply in this day and age. • Could customers opt to pay for the improved service themselves, or as a community? i.e. those who benefit pay? <p>Is it realistic to expect a uniform level of supply reliability across the country</p> <ul style="list-style-type: none"> • A lot of participants questioned whether it was reasonable for SSEPD to expect the same service if you live in a remote rural area. For example, one participant said: “Didn't Donald Dewar say “It would be cheaper to buy them a home on the mainland?”” • “I can see SSEPD have an obligation to help them [rural homes]. But where do you draw the line?” • “Ofgem expect equality but is it realistic to expect the same uniform standard across the country?” 	<p>Key Theme: In Perth, almost half of the participants (48%) prefer Option 1 (i.e. No change to existing networks); 28% preferring the option of bringing 5200 of the worst served customers up to the current average; and almost a quarter (24%) preferred Option 2 which would improve network reliability for 200-300 customers per year.</p> <p>Our Response: It is not possible to create a mechanism where the affected worst served customers pay for the additional costs of improvements to their reliability, and it is necessary that any costs are spread across all customers in that DNOs area. We are conscious of the views of Government and Ofgem as expressed through the recent Parliamentary Affairs Committee regarding rural reliability and our obligations to ensure reasonable performance levels. We recognise that in many of these areas the network reliability is reflective of its remoteness and circuit length, as well as the fact that these networks often do not benefit from the same levels of security as other parts of the UK. Our investment proposals, subject to Ofgem agreement will look to address this in a substantive way. It is anticipated that this will take several Price Controls and decades to fully address, but it is not considered affordable to reduce the number of worst served customers to zero in the ED1 period. We believe that this position is confirmed by stakeholders.</p>
Option 2: Invest in the network to reduce the number of Worst Served Customers by 200 – 300 per year	24%	No supportive comments from participants.	<ul style="list-style-type: none"> • Perceived as insufficient, “Too slow, too little... there are thousands of these customers... this is too slow.” “It seems that you are asking to spend a disproportionate amount of money on a small number of customers. You can't expect to live in the sticks and get the same quality of supply as central London. Be realistic.” • “I think this is a social responsibility for government not for SSEPD. The two expectations don't balance; it is as if you are being asked on one hand to act as “a social service” but on the other to function as a profitable private sector business.” 		
Option 3: Invest more in selected circuits and bring 5200 currently worst served up to current average (SHEPD Only)	28%	<ul style="list-style-type: none"> • “I would have to support this... [would make] a tremendous difference to people living there [in the areas concerned].” • “The inclusion agenda... [SSEPD] must do this”. Perceived as “unfair otherwise.” • Support this option. Have “experience of living in a rural area myself ... it's hard [re power cuts].” • “I see community-led projects as important... need greater collaboration with other parties... political leaders ... for the benefit of the community [i.e. SSEPD to work collaboratively with others to lobby for, give momentum to and to lever access to additional funding to enable this]. SSEPD should be working for their customers in this way.” There was a view that communities (and their leaders) needed to actively want this investment. 	<ul style="list-style-type: none"> • “Rather than providing an alternative looping supply why not invest in battery storage as a back up alternatively or install generators in Worst Served Customer areas which would be a lot more cost effective.” • “Why should this be a socialised cost? If you choose to live in a remote area you have to accept all your services are less reliable for example NHS transport, broadband etc.” • Seems a high cost, but appear to be real benefits for a lot of the customers. 		

Which is your preferred option for improving network reliability for SEPD Worst Served Customers in RIIO-ED1?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
Option 1: No change to existing networks	21%	Are there other ways to fund this or imposed limits on spending? <ul style="list-style-type: none"> • “I think the communities affected should be offered support in starting a co-op to pay for their own network improvements.” • “Are there limits set by Ofgem for worst served customers?” 	Need to quantify benefit <ul style="list-style-type: none"> • “Not an option... unreasonable to do nothing... [access to energy perceived to be a] basic human need” “This is about payback on the investment we’re being asked to make a decision on. What are the figures on this?” • “I think worst served customers should pay for this, not everyone.” • “It would not be for all customers, not beneficial for us who are paying.” • “They’ll have lower cost of property and benefitting from lower energy cost that serve them the best.” 	<ul style="list-style-type: none"> • Highlighted that customer expectations are different in different regions. • Also, some people now living in rural areas (“modern country people”) have moved out from urban areas where their experience, and hence, expectations of a network reliability are much higher. Felt that such people would expect the same level of service wherever they lived. • Participants asked, “will the investment be temporary [one off]” or a ‘rolling’ investment? It would have been more helpful if the business case on this topic needed to be explained in fuller terms. 	<p>Key Theme: In Newbury, well over three quarters (79%) prefer Option 2 (Invest in the network to reduce the number of Worst Served Customers by 200 – 300 per year).</p> <p>Our Response: We are pleased that our proposals are supported by stakeholders in our SEPD area, where we believe that we can improve the quality of supply to worst served customers for a reasonable level of investment, around £500k per annum. Stakeholders clearly support addressing the network performance for these customers, but not at significant cost. Distribution networks are funded by sharing the costs amongst all customers so it would be impossible to identify costs of specific investments and expect these to be solely funded by those who will benefit from them.</p>
Option 2: Invest in the network to reduce the number of Worst Served Customers by 200 – 300 per year	79%	Clear benefits for UK plc. <ul style="list-style-type: none"> • Support for option 2 as it is “unreasonable to recognise worst served customers and do nothing.” • “I live in an area like this”, therefore supportive of this option. • “It’s similar to the broadband debate... working from home... there’s a lot more of this now... very distributed workforce”. Thought it was important to support their needs, and through this the UK economy. • Have to improve the infrastructure in these areas as customers will not want to live, visit rural areas with their electricity keeps going off. • If farmers keep going off supply then this will have a significant impact on production. • Really good PR. • Relatively small amount of money in relation to the identified benefits 	The majority pay for the minority <ul style="list-style-type: none"> • “Shouldn’t the 2.8 million people who are paying for it be benefitting too?” • “Here’s the thing: This is really about a commercial company being expected to act as a public body. It’s the system.” • “The outlay of investment needs to outweigh the benefits. I’m not convinced this does.” • “The city people pay for their supply and then the rural folk sell it back to the city people with their generators. That’s just great!” • “Again this comes down to everyone footing the bill to improve the lives of a selected few. It’s not fair.” • “It’s a difficult decision to make because not many are benefitting. It’s the cost of living in a rural area.” • “DNO’s have a responsibility to provide an equal level of service to all customers so SSEPD should be footing the bill here and not customers.” <p>Other solutions</p> <ul style="list-style-type: none"> • “They’ll [SSEPD] be looking at alternative forms of supply like mobile generators or PV for rural areas which could counteract this anyway.” • “Interruptions are expected in a rural area. It’s their choice ultimately to live there. They come to expect it and can become energy exporters themselves. It’s back to connections really.” 		
Option 3: Invest more in selected circuits and bring 5200 currently worst served up to current average (SEPD Only)	N/A	N/A	N/A		

Which is your preferred option for undergrounding overhead lines, to improve network reliability, in SEPD?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
Option 1: Do not invest in this programme	16%	<ul style="list-style-type: none"> No comments. 	<ul style="list-style-type: none"> "In other countries, undergrounding is not so popular". Perceived that SSEPD should study the experiences of undergrounding in other places before presenting this as a favoured solution. 	<p>Reassuring customers that this approach is cost effective and increases reliability</p> <ul style="list-style-type: none"> Suggested that SSEPD trial this first to ensure a positive return. "Provide [customers with] more information on the rationale [for undergrounding], the return on investment... then compare this with other options... look at the savings to be gained over say 20 years... [And] where do these savings get re-invested... look at the full life cost... when does it [the investment] breakeven? Enumerate the benefits... quantify them... and show us [customers] the model". It was also suggested that SSEPD track the actual performance of undergrounded cables to ascertain the actual level of reliability / return on investment and provide the customer with information on this, "Don't just do it [i.e. undergrounding] from a purely engineering perspective". Make sure that it actually performs for the benefit of customers. Suggested that customers may not know what future (20 years+) environment will look like. 	<p>Key Theme: Because the funding for this type of undergrounding was only available in SEPD network, this question was asked at the Newbury event only.</p> <p>Over two-thirds of the support (68%) was for Option 3 (Invest to underground 700 km of lines).</p> <p>Our Response: We are proposing a new programme for undergrounding our high voltage overhead line network in the ED1 period. This will be considered as part of our Business Plan to improve reliability and to reduce costs of tree cutting as well as improving the safety and visual amenity of our network. The works would be co-ordinated with our asset renewal and refurbishment programme in order to achieve best value, installing underground cable as an alternative to replacing rotten poles or rebuilding overhead lines.</p>
Option 2: Invest to underground 350 km of lines	16%	<ul style="list-style-type: none"> No comments. 	<ul style="list-style-type: none"> No comments. 		
Option 3: Invest to underground 700 km of lines	68%	<ul style="list-style-type: none"> Participants recognised that this was a proactive and positive approach and felt it would be the most cost effective approach over time. 	<ul style="list-style-type: none"> No comments. 		

Which of the following do you think we should include?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
Flood mitigation	7%			<p>The following is a summary of other aspects that participants suggested might be included in the Environmental Impact Report:</p> <p>Wood</p> <ul style="list-style-type: none"> • What happens to all the wood that gets chopped down? • How many trees are cut down? • What is SSEPD's policy for replacing trees? • What is the carbon off set benefit of replacing trees for the environment as a whole? • Replanting new trees when lost – have a policy for it endorsed by a credible partner. 	<p>Key Theme: Over one third of participants (35%) suggested that other aspects might be included in the Environmental Impact Report. (See comments below under 'Other Points' for a list of the suggestions put forward); and a quarter (25%) indicated that all of the proposed items listed in the table be included.</p> <p>Our Response: We welcome these responses and are pleased that thoughts on the subject are so wide ranging. We recognise that "Environmental Impact" means different things to different people, but we cannot practically include everything. We will base our Environmental Impact Report around the following areas:</p> <ul style="list-style-type: none"> • Our Business Carbon Footprint and what we are doing to reduce this • Undergrounding Projects • Reduction in oil and SF6 leakage • Innovations with Environmental benefits • Information on our tree cutting activities • Examples of other activities we undertake as business as usual which have an environmental benefit. <p>We will welcome stakeholder feedback on this document and this may enable further development of this in the future.</p>
Tree cutting	17%			<p>Wildlife – How is wildlife impacted?</p> <p>Education / Empowerment</p> <ul style="list-style-type: none"> • How much time is spent educating people? • How does SSEPD empower customers to manage their energy usage so as to reduce their energy costs? <p>Community projects – What has SSEPD done in this regard?</p> <p>Innovation – What innovations is SSEPD deploying to environmental benefit?</p>	
Noise pollution	5%			<p>Fuel – What type of fuel does SSEPD use? Fuel efficiency of vehicles, emission data etc.</p> <p>Undergrounding – How much has SSEPD reduced overhead cabling by undergrounding.</p> <p>Sustainability:</p> <ul style="list-style-type: none"> • How does SSEPD contribute to 'sustainability' at regional level? Provide information on the whole 'chain' of production from use of suppliers, products etc; • "Low carbon future – Where is SSEPD going in the future re this"; • "How is SSEPD engaging with the National Grid on the issue of sustainability?" • "There should be more detail on everything in the environmental report. It definitely shouldn't be limited to leaks and risks." 	
Contaminated land clean up	12%			<p>Recycling: How much is SSEPD recycling?</p> <ul style="list-style-type: none"> • In the White Paper on page 32 figure 12 it states – We will ensure 100% of waste generated will be re-used, recycled or recovered by 2016 – one respondent wanted further clarification to include whether this waste included replacement of old deficient equipment i.e. transformers, cable etc. • Could SSEPD put its messages about recycling across in a "fun way" and "get kids involved in putting it across"? • "Supply chain companies – SSEPD's policy on that could be highlighted and part of the plans" • "Recycling of wooden poles – what happens to them?" 	
All of the above	25%			<p>Conservation areas – What is SSEPD doing to protect conservation areas?</p> <ul style="list-style-type: none"> • "Have a broader approach to your Carbon Footprint, putting all this (slide) information in the return is fine but think outside the box too. Include all the other activities undertaken by SSEPD which have an effect on the environment." <p>Mitigation: – "This could be across all kinds of business areas from 'new builds/developments' to the sustainable water used in your conference rooms at HQ."</p> <p>Leakages</p> <ul style="list-style-type: none"> • Would like information on system losses, leakage reduction, binding of transformers. • "Gas leakages sound bad. It appears they can do a lot of damage." • Oil contamination – the amount of preventative measures. • Avoidance of water courses. 	
Something else	35%			<p>Biodiversity plan – use of bio fuels – "They should have a plan. Information on this and alternatives to carbon fuels would be a great starting point."</p> <p>Protected species and wildlife conservation – "SSEPD do loads of this all the time. It's great PR and rewards the local species."</p> <p>Co-ordination – "What efforts does SSEPD make to co-ordinate its infrastructure work" i.e. and minimise the digging up of roads etc.</p>	

Which of the following do you think we should include? (Continued)

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
				<p>Environmental advisers – “SSEPD use them and they could be profiled and used for the benefit for the community.”</p> <p>Transparency of environmental information – “Transparency of information and progress is key to providing customers with reassurance.” They want to know that they pay a sustainable and ethical provider when it comes to the environment.</p> <ul style="list-style-type: none"> • “SSEPD could be the broker in overcoming data protection issues to ensure a harmonised approach where SSEPD takes the lead.” <p>Exemplars of SSEPD work that is ‘business as usual’ and best practice</p> <ul style="list-style-type: none"> • “A lot can be done just by thinking carefully. If your assets are coloured to blend with the landscape it will limit the impact on the landscape and you’re probably already doing that anyway where you can.” • “Why not use electric vehicles and record that?” • “Can you report on your mitigation works which are sympathetic to the environment (e.g. species protection, avoiding watercourses) that you do already?” • “Shout about the good stuff like how you stopped working on a pylon because it had an osprey nest in it.” • “Benefits of access tracks for recreational use that is everyday too.” • “Report on supply chain green credentials.” And “Show how we address environmental issues through our supply chain.” • Demonstrate our use of trenchless cable laying and its benefits. • Demonstrate the mitigation we undertake (tree planting etc). • Carbon offsetting. • Wider economic benefits of our environmental actions. • WEEE regulations and disposal of hazardous materials. • Show the efforts we are going to gather environmental information. • Tell the overall environmental story of our projects. • Demonstrate performance against targets. • Show how we enable the connection of renewables. • Address public perception on a regional basis. • Provide data on our ‘office / business’ activities – rainwater reuse etc. • Provide statistics on ‘reduce, reuse, recycle’ activities. • Be clear on the intended audience and produce the right type of report. • Provide hard copies for people who want them, but make it web-based. • Core disciplines. • Air quality – Construction processes, transport emissions, Dust annoyance, painting etc. • Noise – Substations/noise pollution. • Flooding – Drainage systems, cable oil leakage, water quality, contaminants from substations. • “Why call it Environmental Impact Report? I would call it Corporate Social Responsibilities instead” – Table agreed with this statement. • SSE should have an environmental management system, which updates stakeholders around what the business is doing to the environment from destroying it when building new substations , plant new trees etc. <p>Other points</p> <ul style="list-style-type: none"> • “Does SSE have biodiversity action plan?” • “Have you looked at the global reporting initiative?” • What is the ratio of virgin to recycled materials? “Make the information more relatable to social impact agenda – rather than so many millions of carbon reduction figures etc.” • “I know SSEPD does a lot of work in communities etc. so there should be details of any of these projects which have a positive effect on the environment.” • “There needs to be a goal set for these things. How do they know that they’re having an impact?” • “It’s the level of detail in environmental impact and what it offsets against that determines the value of the impact.” • “It’s disappointing that there is only ever an anti-campaign rather than a supportive one that actually does something.” • “Sponsoring of undergrounding by organisations would be a good idea.” • “Really this is about tapping into the right network and having a network of partnerships that help then rather than doing for the community it should be SSEPD doing it with the company.” • “It’s really a good thing, but reporting needs to be exacting so it can be used for business performance, Environmental factors alone are not enough, if it’s for sustainability its’ got to be made into a business benefit” 	

Which is your preferred option for reducing oil and SF6 leakage in SEPD during RIIO-ED1?

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
Option 1: Continue to assess and replace assets under existing programme	19%	<ul style="list-style-type: none"> • “You get used to seeing infrastructure in the environment. Why not spend on new areas where kit being put in and protect areas that remain [without visible distribution infrastructure].” 	<ul style="list-style-type: none"> • There were no comments opposing this option. 	<ul style="list-style-type: none"> • Felt that replacements need to be well thought through. • “What is the life span of these things? [i.e. the plant and cables that would be replaced]”. Basically, for how long could the customer expect to benefit from a return on any such investment? • “Undergrounding not always the answer – can be more environmentally devastating to underground the overhead lines and it is not always possible in rocky ground.” 	Key Theme: Over three quarters of the participants (75%) prefer Option 3 (Replace plant and cable with high leak rate: Reduce SF6 leakage by 2%; Replace 60 km of oil filled cable). Our Response: We will replace 60kms of oil-filled cable and reduce SF6 leakage by 2% over the price control. We will ensure this has maximum benefit to the customer by targeting the assets with the highest leak rates.
Option 2: Replace plant and cable with highest leak rate: <ul style="list-style-type: none"> • Reduce SF6 leakage by 1% • Replace 40 km of oil filled cable 	6%	<ul style="list-style-type: none"> • “SF6 is a bad thing... this is morally the right thing to do... [however, cautioned that SSEPD] need to avoid scaremongery as it could cause panic.” • “[As a customer] you want to reduce oil [leakage] and protect the environment... good to move away from oil [filled equipment]”. • This approach “makes sense as long as it is thoroughly investigated and not creating harm in another form.” • Supportive but queried “How is this going to be targeted?” 	<ul style="list-style-type: none"> • Some respondents felt there should be more cost analysis required. 	<ul style="list-style-type: none"> • What would be the impact if the plant and cables were left as they are now? i.e. not replaced? Wanted more information on this and a simple and clear articulation of the benefits to customer / environment of one option or the other. NB. This again was a difficult section for the group to answer. • “Display success stories from SSEPD when it comes to the environment for example how planning avoided digging through and ancient coppice [trees] etc.” • “This is another thing you should do as a matter of course for a responsible company but then it’s commercial. Where does SSEPD’s role start and then stop?” • “This is another commercial company with ‘state’ responsibilities question I find difficult to answer, yes you should be making every effort to improve but I’m not comfortable with selecting something which increases bills.” • “3 km is not enough. Surely it’s about doing undergrounding as you go along not ‘going back over old ground that people have got used to anyway.” 	
Option 3: Replace plant and cable with high leak rate: <ul style="list-style-type: none"> • Reduce SF6 leakage by 2% • Replace 60 km of oil filled cable 	75%	<ul style="list-style-type: none"> • Mainly the same points as were raised for option 2 above. “I think it should be an SSEPD company goal to remove all SF6 gas equipment over this period.” • “It’s worth doing – National Parks are areas you want to protect in national interest – that’s 50km in 8 years.” • Regulation around this is only going to get tighter, so might as well be ahead of the game. If we’re doubling the cost then we should be doubling the benefits. • Go for this option but improve the environment and commercial risk benefits. • Spend as much as you can (within reason) to get maximum benefit. • Show to Ofgem that you’re going above and beyond what they’ve asked for. 	<ul style="list-style-type: none"> • There were no comments opposing this option. 		

Project Management Service to Support Undergrounding Schemes

Option Choices	Percentage of participants voting for each option (%)	Qualitative feedback in support of option	Qualitative feedback which is unsupportive of option	Other points	Our Response
Option 1: No project management – minimal take-up	31%	<p>Why should customers be asked to pay for this?</p> <ul style="list-style-type: none"> • Could SSEPD charge Project Management costs to existing pot as it was thought unreasonable to keep charging customers for various aspects of service? • Could interested groups pay for this instead of customers in general? • “I see no economic value in this... if the community want it [the scheme]... they should go for it”. • “This isn’t about throwing money at the problem; it’s about empowering the right people. Involve corporations and organisations who want to improve community engagement and corporate profiles, get them to assign graduate trainee’s or university interns to be involved and run the projects. We’re back to that Option 3 again – set up partnerships and let them get on with it!” 	<ul style="list-style-type: none"> • No need for national input. Scale the problem and target the various receptors, activate councils to do the jobs. 	<p>The system is ineffective, need to resolve the issue not find a solution</p> <ul style="list-style-type: none"> • Not sure that this was really a DNO’s role to be involved in promoting this, but also unsure “who’s gift is it to look at this and resolve?” • Perception that, “in their current form, these funds are ineffective... someone has to protect beautiful landscapes... [but SSEPD] needs to get some areas prioritised by some objective means.” <p>Support for this depends on who you ask</p> <ul style="list-style-type: none"> • One respondent who was supportive of this idea and was devastated that the audience as a whole was not supportive felt it was important to highlight the fact that she felt this came down to under representation of environmental interest groups at the stakeholder event and that SSEPD needs to bare this in mind when looking at the results of the voting question. 	<p>Key Theme: In Newbury, over two thirds (69%) prefer Option 2 (Offer project management to help communities who wish to have lines undergrounded in designated areas); while taken together with Perth, the scores are very close (47% in favour of Option 1 and 53% in favour of Option 2). However, the resounding theme from discussions was that whilst they were supportive of SSEPD providing a project manager, why should customers have to pay for it.</p> <p>Our Response: We will work closely with stakeholders to identify potential projects and perform an initial assessment on these. We will also set up Strategic Steering Groups, comprised of both SSEPD staff and key external stakeholders. These groups will be tasked with selecting the projects with the best value for money for the customer, from the initial list. We will be contacting stakeholders in due course, but would welcome responses from those with initial project ideas and those who would be interested in forming part of the strategic steering group.</p> <p>We are asking customers to pay for this because as regulated businesses, the amount of revenue which each DNO is allowed to charge for its core business is set through a series of funding principles agreed with Ofgem. These closely link what we spend to what we earn, and are intended to balance:</p> <ul style="list-style-type: none"> • the desire for the cost of electricity distribution to the end consumer to be as low as possible. We know from speaking to our customers that keeping costs to a minimum is a key priority; and • the need for us to cover the costs of building and operating the distribution network along with a reasonable return for our investors. Without this return, DNOs would be unable to attract future investment and thus would risk the long-term health of the network.
Option 2: Offer project management to help communities who wish to have lines undergrounded in designated areas (maximum allowance is (6 – 8km per year in SHEPD and 10-12km per year in SEPD)	69%	<p>Good idea</p> <ul style="list-style-type: none"> • “It would be very beneficial to have a SSEPD Project Manager to help drive projects forward because of their technical expertise.” • “We are always happy to pay to look pretty!” • Really good idea, we need to help communities as much as possible. • Good PR for the business. • Communities currently do not have the right resource available to drive these project forwards. Therefore if you are able to offer support then these current boundaries will no longer become an issue. • Everyone has agreed that we need to invest in developing this area. Therefore option one is not a viable solution. <p>Why should customers be asked to pay for this?</p> <ul style="list-style-type: none"> • Supportive in principle but suggested that project management service could be funded by doing less km of undergrounding rather than expecting customer to pay. 	<p>Why should customers be asked to pay for this?</p> <ul style="list-style-type: none"> • “You [SSEPD] can’t just keep adding on cost to the customer”. • “I’d question whether there shouldn’t be an option 3 i.e. set up an internship with a University instead of an internal project manager. It’s more sustainable doing it in that way. Promote it as work experience for someone and it’s a win win situation.” • “It’s a good thing to do but I personally do not think that the customer should be paying for this. DNO’s and councils should be the ones paying for this initiative as a charitable donation and not us the customers; you’re the ones who are going to get the credit at the end of the day.” • It was suggested that SSEPD, “find a partner ... National Trust... Countryside Commission... English Heritage... and match funding to enable disempowered communities to have a stronger voice [on the subject of undergrounding]... Get a champion on board who will benefit from [supporting] it (e.g. a big supermarket that wants to do something in relation to corporate social responsibility)”. <p>Demonstrating benefit</p> <ul style="list-style-type: none"> • “It’s really a good thing, but reporting needs to be exacting so it can be used for business performance, Environmental factors alone are not enough, if it’s for sustainability its’ got to be made into a business benefit.” 	<p>Other points</p> <ul style="list-style-type: none"> • Do as much as possible as (undergrounding) this will improve supply interruptions. • There is an environmental issue when putting cables underground called ‘peat’. • If you bury a cable then surely it’s harder to detect a fault and cost more to fix? • Suggested that SSEPD should actively promote the scheme by targeting areas that qualify for it. Suggested that SSEPD “activate [proactively inform] the [local] Councils in these areas.” There was thought to be a limited geography (to which this scheme applies) and that local councils etc. were best placed to promote applications, “Local Councils have countryside officers who know [about] this”. It was suggested that SSEPD identify a “top ten” areas and target them i.e. talk to the local authorities in these areas to raise awareness and promote applications. • “I think it [the scheme] needs promotion regardless of the outcome [i.e. whether or not it is taken up]”. • One person (Perth) calculated that the cost of the project manager would work out at £19 per metre of line undergrounded and made the point that the undergrounding work itself could cost less than that. 	