PART 2 | 2022-23 COLLABORATING WITH IMPACT

Overview of Evidence Stakeholder Engagement and Consumer Vulnerability Submission



PART 2

Welcome to our Part 2 submission to Ofgem's Stakeholder Engagement and Consumer Vulnerability Incentive (SECV) for 2022-23.

Part 2 revisits our strategy, our approach to stakeholder engagement and how we measure the impact of our activity, set out in full in Part 1. This is followed by a series of examples aligned with SSEN's four strategic priorities, covering: net zero; customer service; safety and resilience, and making a positive impact on society. In each case we explain how we have acted in response to stakeholders' guidance, insights and feedback, and identified the positive impacts our actions have had for customers.

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The two additional parts that make up our submission

PART 1

Introduces our Stakeholder Engagement and Consumer Vulnerability Strategies and outlines our approach to working with stakeholders and supporting consumers in vulnerable situations.

PART 3

Features the incentives and outcomes we have delivered to support customers in vulnerable situations and fuel poverty during the 2022-23 regulatory year.



Scottish Hydro Electric Power Distribution (SHEPD)

2.1GW of connected onshore wind

57% increase in registered EV's over the past year



connected heat pumps



700,000

heat pumps by 2030, an increase of nearly 1,300%

2 million

electric vehicles by 2030, an increase of more than 1,900%

c.£3.6bn

investing up to £3.6bn in our network and services during RIIO-ED2

London

Oxford Reading Southampton Bournemouth

Southern Electric Power Distribution (SEPD)

2.4GW of connected solar pv **91k**

registered EVs

29k connected heat pumps



2.1 A YEAR OF COLLABORATION, ACTION AND IMPACT



This year, in both the cycle of review and the delivery of our stakeholder engagement strategy, we've continued to drive and further embed the culture of continual improvement that has served our customers and stakeholders with enhanced value.

In listening to customer and stakeholder views, comments from trusted experts and feedback from the SECV panel, we've challenged ourselves to continually improve in every aspect of our working and be braver and bolder in our ambitions.

A strategic and agile approach

The theme that you'll see come through strongly this year is that of collaboration, where we've worked hard to further improve our mutual working, inside industry and out, to **achieve shared outcomes and help expand our stakeholder reach**. This approach not only helps us and others to learn and improve but also delivers **broader and deeper societal benefits**.

Following an open review, we have retained our core stakeholder-led priorities, as they

continue to provide us with a pertinent focus to frame our strategy, whilst allowing the agility to respond effectively to live issues from our stakeholders.

The cost-of-living crisis, and the transition to net zero, are two monumental challenges which present both immediate and long-term adaptation for our customers and stakeholders. We do not take their effects lightly and know that each will require sustained focus.

Collaborating for mutual benefits

In this light, I'm proud of the tenacity we've shown in areas such as West London, as we collaborated to deliver bespoke solutions to facilitate connections behind major transmission constraints, and our coworking with local authorities, and smaller communities like Osney Island in Oxford, has been uncompromising in its net zero focus, delivering tangible benefits

We've also applied a cost-of-living lens to our collaboration with Energy Alton, a Community Interest Company. Through this partnership we were able to assist small businesses facing financial challenges and help them establish a network for continued mutual support. Looking further ahead, we became the **first DNO to publish a**

`live' consumer just transition report and action plan that will deliver benefits for our communities and help act as an accelerator to enable a fair, accessible and equitable transition to net zero for all.

Our submission also demonstrates further application of learnings on resilience. In 2022-23 Storm Otto, alongside the Shetland ice storm, put to the test our ability to deliver a consistent `above and beyond' level of service, with our response receiving plaudits by the government, customers, and stakeholders alike.

This improvement would not have been possible without considered and meaningful stakeholder engagement, which has also led to the creation of **first-of-its-kind community resilience strategies**, co-created between SSEN and local authorities, and our industryleadership role in engagement to prepare for potential emergency disconnections.

An enduring incentive legacy

As we embark upon our next price control we're acutely aware of the privileged role we will continue to play in the lives of our customers and stakeholders and our responsibility to keep pushing to assess, understand and respond to their needs.

We stand ready to take on future challenges as we transition to a net zero world, and are confident that our embedded and proactive culture of engagement will ensure that our customers and stakeholders remain at the heart of all that we do.

Graeme Keddie, Director of Corporate Affairs and Stakeholder Engagement

2.2 PRIORITIES AND INITIATIVES CONTINUALLY DRIVEN BY OUR STAKEHOLDERS

As has been the case throughout the SECV incentive, the feedback that we received from the 2021-22 Panel has shaped how we've approached our stakeholder strategy this year, enabling us to further challenge our own thinking and continue to improve the intrinsic link between our stakeholder priorities and business strategy.

Led through our Executive Committee, we asked our expert panels and trusted

stakeholders to push us further and test our prioritisation as we geared up for a new price control period where our aim was to provide our customers and stakeholders ongoing outstanding service and value through every touch point and interaction with us.

The feedback that we received from these sources, said we had strong foundations with our stakeholders and partners, but we could realise even greater benefits for all parties through broader, wider and more sophisticated collaboration tools, processes and relationships.

Identifying the need for greater prioritisation around resilience and net zero progress, the stakeholder-led priorities were found to be fit-for-purpose and enable us to identify and deliver upon customer need in a focused way, whilst maintaining the agility to meet emerging challenges as they arise.

	Our stakeholder-led priorities and themes			
		rer communities to thrive	We power change with every connection	Our vision
Key stakeholder themes for 2022-23	ACCELERATING PROGRESS TO A NET ZERO WORLD	DELIVERING A SAFE RESILIENT NETWORK	PROVIDING A VALUED AND TRUSTED SERVICE	MAKING A POSITIVE IMPACT ON SOCIETY
	'We need help with our local area energy plans'	'Can you work with us to improve community resilience?'	'We need to be able to roll out EV charging quickly'	'A 'Just Transition' is a big challenge when many households are struggling'
	'Constraints are impacting on our plans for net zero'	'We need first-class communication during storms'	'As a small business we need help with energy costs'	'Power cuts are exceptionally challenging when you have additional needs'
	'We need support to realise the opportunities of low carbon technology'	'We need to better understand emergency outages so we can prepare accordingly'	'We need early sight of any planned outages and a single point of contact'	'How will you grow and train the UK's net zero workforce of the future?'

2.3 A CYCLE OF STRATEGIC IMPROVEMENT

This year through our annual stakeholder strategy review, we identified key themes with our Executive Committee (ExCo) that were deemed to be strategically essential to the cycle of improvement that our leadership team are committed to. These have also been ratified by our trusted stakeholders who have agreed that these areas of focus will enable us to continue to improve, strengthen and enhance our processes, tools and stakeholder relationships to deliver greater value and outcomes for our customers and communities.

1. Enhance governance and further strengthen senior leadership input	2. Improve opportunities for strategic stakeholder input direct to our senior leadership team	3. Improve the depth and breadth of collaboration across industry	4. Demonstrate a clear understanding, and sustained action, to support consumers most at risk of the cost-of- living crisis
and through project leads presenting at weekly Executive Leadership Team (ELT) meetings. Senior leaders have also personally led local forums and stakeholder roundtables. Our ExCo has also demonstrated	specialist insights to our thinking, such as that provided this year by Laura Sandys in relation to how we use data. We're now driving that further, having initiated a planned programme of stakeholder representation at our ExCo meetings to help inform and challenge our senior leaders. We recently welcomed	than ever before to drive greater outputs and increased value. We've established new forums and working groups to establish and progress new collaborations, leveraged existing relationships for alternative purposes, and signed formal collaboration agreements with industry colleagues to achieve longstanding value. Our new refreshed engagement team is also ensuring a longstanding	living crisis we've escalated our interventions to alleviate fuel poverty in the here and now, and for the future. We've leveraged relationships with resilience
Read more in Co-creating resilience strategies with	Read more in Driving net zero with local innovation trials (p.4)	Read more in Agile solutions for unprecedented challenges and	Read more in Targeting microbusiness with energy

communities (p.5) and Taking the and Using big data to accelerate lead on an emerging threat (p.6)

LCT take-up (p.7)

Enabling Mission Zero for the Isle of Wight (p.3)

efficiency measures (p.8) and Protecting consumers in the net zero transition (p.9)

2.4 MEASURING THE VALUE WE'VE GENERATED FOR CUSTOMERS AND COMMUNITIES

Effective use of measurement is key to ensuring the activities we undertake provide value for our customers and the communities we serve. Details of our embedded approach to measuring the impact of our work can be found in Part 1, page 10.

With both the 2021-22 SECV Panel feedback and a culture of continual improvement in mind, we have further enhanced our measurement practices this year, learning from others who were cited as demonstrating good practice.

We evolved our approach across three key principles, making our approach more:

Comparable – Additional detail has been provided on the key drivers of value where SROI has been used, increasing transparency on how this value has been driven.

Consistent – Collaborating with our DNO peers, we have aligned on consistent fuel poverty reporting metrics, a common definition of fuel poverty services and consistent application of the SROI rulebook.

Conservative – Our in-house SROI measurements have been externally assured by SIA Partners to ensure our work is robust, conservative and aligns to industry standards.

Using our measurement approach, we have assessed and demonstrated the positive impact we have delivered throughout Part 2, both in terms of qualitative outcomes and guantitative metrics, where appropriate.

We have measured seven initiatives across Part 2 using the industry standard Social

Return on Investment (SROI) approach. These assessments have been used to inform our decisions, and explain our actions both internally and with external audiences. The following table summarises the financial and social benefits we have created for customers, communities and the environment:

Story	Customer and Community Benefits		
LAEPs (p3)	LAEP+ tool will result in savings of up to £2.5m over five years for LAs in SSE licence areas, due to reduced costs in LAEP development.		
Re-HEATing homes (p4)	Re-HEAT will deliver c.£350k in benefits over five years, as a result of avoided reinforcement and reduced carbon emissions.		
A safe, resilient and responsive network (p5 & 6)	Our Winter Campaign will deliver £2.37 of social value per pound spent over five years, as a result of Priority Service Registrations (PSR) registrations and energy efficiency referrals.		
Site Electrification Planning Tool (p8)	The Site Electrification Planning Tool will deliver £2.04 of social value per pound spent over five years as a result of efficiency savings.		
Energy efficiency for micro-businesses (p8)	By reducing energy bills for micro-business customers and reducing carbon emissions we will deliver £1.95 of social value per pound spent over five years.		
Driving social value in the supply chain (p9)	One of our supplier contracts is estimated to deliver an additional £640k in benefits over five years through the creation of apprenticeships, volunteering activities, and donations to local communities.		
Maximising the value of our future workforce (p10)	Our approach will deliver £2.1m benefits this year through direct salaries to our young workforce and the societal value created by them being more employable in the future.		
c.£130k	c.£3.0m c.£3.2m		

Total network benefits over five years

Total financial benefits over five years

Total societal benefits over five years



Enabling a strategic approach to local decarbonisation

The transition to net zero is creating a significant shift in customer requests and needs across our network areas. This exponential growth requires agile and innovative thinking and collaboration as we navigate challenges alongside our stakeholders and partners and play a leading role in developing solutions and driving strategic planning.



Agile solutions for unprecedented challenges

Status: New DNO First Collaboration

The West London area has seen an unprecedented number of applications for large scale connections, predominantly from data centres, due to global telecoms links.

SSEN has received connection requests for data centres up to 200 MW – equivalent to the daily demand of Reading. This has led to National Grid providing connection times into the 2030s for even small demand projects.

We listened

- During regular engagement with the Greater London Authority (GLA) they voiced concern on impact to net zero targets and plans to provide more affordable housing.
- Connection customers and developers told us that lengthy queue times to connect (into 2030s due to Transmission upgrades), could make their projects unviable.

We acted

- SSEN and the GLA co-hosted five working sessions with developers and small demand users to better understand their needs and forward pipeline.
- Engagement was also undertaken with those in the connection queue to understand if capacity needs remain.
- We worked with National Grid ESO

"We are pleased to see projects move forward in West London due to SSEN and National Grid's solution – which shows what can be achieved through collaborative action – and are now looking forward to further progress on this challenging issue." **Molly Strauss**, Head of Infrastructure, GLA to revise thresholds for transmission assessment and have agreed an interim phasing solution. This will enable projects to connect and ramp their capacity up to 1MW per annum (to a maximum of 10MW) without triggering transmission upgrades.

Positive impact delivered

- Over 80% of small demand projects, including housing, have now been unlocked due to phasing solution.
- This phasing product is now available to all DNOs as part of industry reform.



homes unlocked through the introduction of the phasing solution



Taking a data-driven approach to support LAEP creation

As low carbon technology (LCT) uptake is putting Local Authorities (LAs) at the heart of infrastructure planning, the **RESOP Project** is modelling the impact of local strategies to ensure communities' ambitions can be accommodated. The aim is to support delivery of local net zero transition plans and to identify where network investment might be needed to support them.

We listened

• During regular engagement, LAs shared difficulties in planning charge point locations without network status and assumptions.

£2.5m forecast savings for LAs

Due to reduced development costs over five years.

Enabling Mission Zero for the Isle of Wight

In late 2021 the Isle of Wight Council published Mission Zero, its 2021-2040 climate and environment strategy for the island which identified a greater drive in inward investment in renewables and advanced LCT deployment. This came too late for SSEN to incorporate into our ED2 plan.

We listened

As part of our ongoing engagement with the island community, we identified the need for a step change in addressing constraints that hindered generation investments.

We acted

 Working with Isle of Wight Council, we established a working group to deliver a comprehensive net zero study, with input • LAs reported delays were caused by insufficient data and expertise.

We acted

- The 'whole system' approach taken by RESOP, draws data from multiple sources into a single Local Area Energy Plan (LAEP) tool, which gives LA planners oversight of all infrastructure considerations. This will help them locate LCTs, such as EV charge points, in the most cost-effective locations.
- We have **established partnerships** with leading LAs to identify the impact of their plans on energy networks and the role of LCTs in managing that impact.
- Dundee City Council, Perth and Kinross Council, Oxford City Council and County Council, Southampton City Council, West Sussex County Council and a number of London boroughs are utilising the RESOP tools in support of their LAEPs.

Positive impact delivered

Status: DNO First Enhanced Collaboration

The LAEP+ tool is being used to assist with the placement of LCTs and creates User Stories to communicate investment plans using data visualisations. Through the tool we've been able to:

- Deliver the first ever interactive LAEP plan.
- Assist authorities by providing evidence for grant schemes.
- Provide LAEP Roadmap functionality.
- We will offer all LAs in our area LAEP+ in line with our ED2 Whole System Support programme which includes additional embedded resource where required.
- Share our learnings: with UKPN adopting the LAEP+ tool.

Status: New Enhanced Collaboration

- from energy consultancy Regen, the Isle of Wight Council and Wight Community Energy.
- The aim was to gain a hyper-targeted view of planned and aspirational growth of future electricity demand and potential for generation in the area and by working with the council, developer community and local stakeholders, gather a robust body of evidence to justify investment 'ahead of need'.

"Strengthening the electricity network is critical...and working with SSEN to design a solution which meets our net zero and resilience goals has been invaluable."

Lora Peacey-Wilcox, Leader of Isle of Wight Council

- We held an on-island meeting with the working group and Ofgam to allow bot
- working group and Ofgem, to allow better understanding of community aspirations and funding routes.

Positive impact delivered

- The first-of its-kind study provides a robust quantification of future load growth requirements from a socio-economic standpoint. This evidence is supporting the regulatory needs case for £53m of future strategic network investment on the island, releasing 140MW of export headroom.
- Additionally, the collaboration has led to a demonstrable increase in developer interest in renewable energy development on the isle.



Driving net zero with local innovation trials

Our flagship collaboration project, Local Energy Oxfordshire (LEO) continues to deliver breakthroughs whilst improving collective understanding of how local, flexible, lowcarbon opportunities can be maximised to transition towards a smarter electricity system that supports net zero.

We listened

- Communities who are leading the way on net zero often find clusters of low carbon or renewable technology can cause issues on lower voltage networks.
- Innovative communities often find this issue compounded by a lack of visibility of the low voltage network.

We acted

Through their Smart and Fair Neighbourhood Trials, Project LEO developed a detailed low voltage energy system model to assess the impact of multiple LCT installations on the area of Osney Island and provide solutions:

- Assessing the conditions of the area's LV network.
- Modelling network capacity for additional LCTs, such as heat pumps and EVs.
- Developing a replicable and semiautomated workflow that SSEN can scale for other parts of the network.
- Dynamically evaluating the benefits of a local flexibility market.

"Project LEO is providing the robust evidence needed to understand how best to deliver a low-cost, low-carbon and secure electricity system. The trials will continue to play an important role in the ongoing energy transition."

James Cartlidge, MP- Exchequer Secretary to the Treasury

Re-HEATing homes and educating consumers

Re-HEAT is demonstrating the benefits of zero carbon heating for households and its role in helping local electricity networks manage demand. Working in partnership with SP Energy Networks E.ON and Daikin, we are installing 150 heat pumps across Scotland. Using smart controls, all residents will have the possibility of flexing their demand in response to a request. The aim is to encourage uptake of heat pumps among residents through greater awareness, contribute to Scottish Government's targets and help balance the local electricity network.

The business case for Re-HEAT shows:

- Avoided reinforcement savings of £56m(NPV) across SPD and SHEPD and £207m across GB by 2040.
- Carbon reduction of 318 ktCO2 across SPD and SHEPD and 1527 ktCO2 across GB by 2040.

The International Community for Local Smart

Grids (ICLSG) is now one year old. It has

become an official legal entity, undertaken

its first research project and recruited new

partners including ESB (Ireland) and WEL

Networks (New Zealand), delivering on its

objective to create a platform that allows

smart energy transition to share learning.

In its first full year, ICLSG members

Responding to this, we worked with

DNOs and community groups involved in the

undertook a collaborative knowledge transfer

exercise to identify areas in which expertise

University of Oxford and Enel Foundation to

undertake a six-month research project into

We listened

At stakeholder engagement events that we ran across Scotland in partnership with LAs to onboard customers to the Re-Heat project, participants were enthusiastic but asked for more help with technical elements, like the installation process and running costs.

We acted

Achieving mutual benefits through shared learnings

We worked collaboratively with partners to carry out assessments and provide tailored support for customers joining the project to ensure their homes were heat pump ready, and they had sufficient knowledge to make use of the technology.

"Re-Heat shows how heat pumps can support a cost-effective transition to net zero. Although households with a heat pump and an electric vehicle can have a twenty times higher peak electricity requirement, this project shows they can contribute to efficient management of the network." Rhys Williams, Re-HEAT Project Manager

the impact of net zero on network resilience

microgrids. We also established bilateral and

with a focus into the role of islanding and

trilateral meetings with ICLSG partners on

How to manage large customers'

(datacentres and batteries) network

connection requests (SSEN and ESB

• Operational approaches in the event of an

and communicating restoration times

To mark the first anniversary of ICLSG,

we held two virtual 'Network resilience

in a decarbonising world' events, in the

Global North and Global South, which were

than 10 countries. Feedback has been built in

attended by 150 stakeholders from more

outage in supporting vulnerable customers

deep dive projects:

(SSEN/TEPCO Japan).

to future action plans.

Ireland).

Positive impact delivered

Status: Embedded Enhanced Collaboration

- Ausgrid have taken learnings from our RaaS project on Ausgrid protection schemes for microgrids leading to them reassess where their protection levels are set.
- ✓ TEPCO are implementing **TEPCO** the learnings we shared on supporting vulnerable customers in extreme weather events and are currently engaging with us on the use of flexibility to support grid resilience.
- SSEN's engineers and commercial teams have taken learnings from Ausgrid's use of dynamic operating limits and dynamic network pricing helping us be more efficient and deliver greater benefits for customers.

could be mutually shared.

We listened

We acted

at all voltage levels.

SSEN can now assess what level of LCT

adoption can be managed within the

priority siting and dynamic control.

By using net zero scenarios for specific

existing network infrastructure through

locations, this allows us to establish the

future network infrastructure required

Positive impact delivered

Osney Island is the first secondary substation area in the UK to have a network upgrade plan that works back from the requirements

Status: Enhanced Collaboration

We have learned how to drive the

large-scale electrification of heat on

We exported heat pump trial data to

can support grid balancing.

As a result of avoided reinforcement

£350k forecast benefits

five years.

the low voltage network and built this

E.ON and other suppliers to inform the

development of flexibility tariffs which

Positive impact delivered

into our heat strategy.

of net zero.







Status: Enhanced



Expanding collaborations to strengthen current and future resilience

Resilience and reliability is a core priority for our customers, stakeholders and for SSEN. In 2022-23, alongside continued efforts to go 'above and beyond' we took a co-creation approach with our stakeholders and communities, working collaboratively to manage the emerging threat of planned disconnections.



Co-creating community resilience strategies

Status: Embedded Enhanced Collaboration

A clear theme from our engagement with customers and stakeholders was the need to further embed and improve our collaborative approach to community resilience across the areas we serve.

We listened

- As part of the comprehensive review into the 2021-22 winter storms, we conducted enhanced engagement, including workshops, consumer research, senior political engagement inc. all MPs /MSPs, and 'teach-ins' in our control rooms.
- A key action from this engagement was a collective responsibility to enable better personal, household and community resilience and a need to collaborate to support self-sufficiency. Local authorities (LAs) also highlighted that budgetary pressures meant they can't expand their services to fully meet the challenge.

"As a leadership team we prioritised initiatives that were 'above and beyond' our obligations. It became clear from our engagement that further work to 'help communities help themselves' in emergency situations was a collective prize and this collaborative approach gives us a clear template to apply elsewhere."

Mark Rough, Director of Operations, SSEN

We acted

- We entered into collaborative partnerships with six LAs in Aberdeenshire, Aberdeen City, Moray, Perth and Kinross, Angus and Stirling, the areas most affected by the 2021-22 storms, to help co-create community resilience strategies.
- Following input from our ExCo and Board in a post-Arwen review, we committed £1.8 million of direct shareholderfinanced funding to LAs, to be matched where possible.
- We worked hand-in-hand with the six LAs to develop the strategies, support engagement and assess feedback. agreeing focus areas and encouraging collaboration, e.g., to pool resources for battery procurement and host joint events.
- We adjusted the criteria of our direct-to communities Resilient Communities Fund to align with this focus, granting £1m in 2022-23

£2.8 million

of ring-fenced matched funding and direct community grants to support community and personal resilience.



Positive impact delivered

- Six LAs have launched comprehensive plans to boost personal, household and community resilience, including:
 - The provision of over 200 personal battery packs for vulnerable residents and seven portable power stations for community hubs and sheltered care.
 - The creation of three first-of-theirkind community resilience officer roles: commitment to annual resilience conferences and the launch of a combined 'Ready Aberdeenshire' website covering two LA areas.
- In a first for the region, Moray Council established three Community Coordination and Support Centres.
- Four of the six LAs have created a resilience microgrant scheme for community groups.
- 69 local community groups received direct benefit already including local resilience hubs, community first response teams, and local radio systems.
- As mutual benefit, each LA has agreed to include PSR promotion and SSEN messaging in all core communications.
- This co-creation approach is being shared across both our regions linked to future resilience funding.

Further embedding our storm learnings to go above and beyond

In 2022-23 we continued to embed learnings from our Storm Arwen review and action plan, rolling out new processes and procedures in the Shetland ice storm in Dec 22 and Storm Otto in Feb 23. Alongside measures that led to a marked improvement in operational response, our senior team scrutinised areas where we could - and should – go above and beyond in terms of welfare support, communications and liaison with partners.



24 hours of the storm

147,940 proactive contacts made to PSR customers, providing continued support throughout the event.

"SSEN quickly set up community hubs, with hot food and welfare facilities. Multiple updates were provided each day on expected restoration times, which were achieved early, and their emergency response and speed of compensation was appreciated and praised by the community."

Maggie Sandison, Chief Executive, Shetland Islands Council

keeping average call waiting times to just **50 seconds**, 17 times better

Innovative methods used to



Alexander Burnett MSP laid a motion in the Scottish Parliament, supported by 20+ MSPs, commending SSENs on;



"...an exceptional response in reconnecting homes and businesses, following the power outages caused by Storm Otto."

briefs to coincide with radio bulletins during

PARTNER compared to 62% during FEEDBACK

Our enhanced restoration

Arwen – a 20% uplift.

Taking the lead on an emerging threat

The ESO's Winter Outlook publication, published in October 2022, confirmed a heightened risk of scenario where the demand for electricity may outstrip supply and SSEN, alongside other DNOs, may be asked to disconnect customers as a 'last resort' measure.

Recognising the potential impact to customers, particularly those most vulnerable, we took a front-foot approach to engagement, implementing a broad but targeted approach to raise awareness, enhance positive lines of communication and ensure stakeholder feedback directly informed our future activities on this issue.

We listened

• We delivered four 'Powering on Together this Winter' workshops in November

Weested

2022, reaching around 450 delegates in central southern England and the north of Scotland, with separate sessions tailored for resilience partners and general stakeholders. We engaged on our proposed engagement at these sessions, asking our stakeholders what they wanted us to focus on in future sessions.

- We supported over 15 Local Resilience Partnership/Forum (LRP/LRF) meetings across our licence areas, reaching around 1,500 stakeholders, holding 11 control room visits for LRP/LRF partners.
- We delivered four resilience roundtables with around 60 MPs, MSPs, Council Chief Executives and Council Leaders to raise awareness of our roles and responsibilities and provide key points of escalation for elected members

Status: New DNO Collaboration DNO First

- We've since conducted follow-up meetings with elected members to discuss the support we provide via our Priority Services Register, with Kirsty Blackman MP saying it was "very rare" to get as good a briefing as the one provided at the roundtable.
- We conducted targeted bilateral engagement with key stakeholders, including BEIS, the Scottish Government, Southern Water, the NHS, trade bodies and key businesses, including chargepoint operators.

Following targeted promotion, 60% of attendees registered within 24 hours with high levels of turnout at the events.



e acted quickly	innovatively	ſ.
<text><text></text></text>	rplanning portal for domestic customers, businesses, community groups and resilience partners.Northern Powergrid and SP 	eted lers, and fic
s to our dedicated PSR ergency preparedness one line	"Our engagement with SSEN has been invaluable in emergency planning, and our response during and after an incident. This means that Dorset LRF, together with its partners, are working to support those most vulnerable in our communities across Dorset, during emergency events." Deborah Haynes, Head of the Dorset Civil Contingencies Unit Positive impact delivered	

Positive impact delivered

- 97% of stakeholders felt more informed following our sessions in November.
- 75% of stakeholders told us they felt more confident to respond in the event of an emergency disconnection in the future.
- We have reviewed and refreshed our Protected Sites List process following liaison with healthcare providers.
- Following a proposal from SSEN to ESO and Ofgem, seven SSEN-run island generation stations (60MW) can now come online in an emergency situation, mitigating c. 35,000

customer disconnections and help prevent further disruption.

- **5,619** visits to our emergency planning portal.
- 6,191 calls to our dedicated Priority Services Register emergency preparedness phone line.

£2.37 SROI achieved for every £1 spent over five years $ilde{A}$

to deliver a number of benefits."

Brian Morrissey, Head of Distribution

"Through our strong links with

resilience partners we spotted

emerging risk and took decisive

action to communicate early and

often to a wide range of customers and

stakeholders. The enduring relationships

that have been fostered throughout these

sessions have been excellent and continue

the extensive impacts of this

SSEN SECV 2022-23



Partnering for co-ordinated and enhanced service delivery

As we continue to deliver net zero infrastructure, it is critical we continue to work collaboratively, and in partnership, with our customers and communities to understand their evolving needs and adapt and diversify our services accordingly.

Using big data to accelerate LCT take-up

Status: New DNO Collaboration DNO First

Positive impact delivered

The partnership is helping us to

implement best practice, create

Our seat on the IB1 Open Energy

energy network colleagues.

🕗 Our new data portal will give

policies, and enable seamless access to

Open Energy Data within our business.

Steering Group enables us to interact

and share those learnings with our

customers access to data in a more

intuitive format. The use of big data

means we can now use prompts

to signpost additional services to

supplement their primary request.

with and learn from the wider industry

By 2030, SSEN's network needs to be ready to support nearly two million EVs and 700,000 domestic heat pumps. Installation at this scale can only be achieved efficiently through access to robust, reliable data to facilitate understanding of consumer demand and electricity network capacity.

We listened

Charge point installers and LAs told us that they want to progress faster with installs of EV chargers and LCTs, and want to know where and how best to connect to the grid.

We acted

- In response to this we initiated a partnership with IB1 (Icebreaker One) a leading not-for-profit, who have been recently appointed to the UK Government's new Smart Data Council to advise on their best practice approach. This is their first collaboration with a DNO.
- Through two initial trial projects deploying in-depth interviews and innovation workshops, the team:
 - Identified key datasets that supported increased visibility of low voltage networks.
 - Eliminated barriers around effective access to, and sharing of, data.
 - Explored innovative new ways of overcoming data-sharing challenges.

Supporting our Distributed Energy customers

SSEN has over 1,400 large Distributed Energy Resources (DER) connected to our network (e.g. 2.1GW of connected onshore wind in the north of Scotland and 2.4GW of connected solar in the south of England). They are impacted financially when we need to take an outage for maintenance that affects their part of the network and they have expressed the need for greater dialogue once their connection is completed.

We listened

We introduced Regional DER Forums and ran three online webinars during which customers told us they wanted:

- Improved outage communications.
- Simplified access to information.
- A single point of contact.

Harnessing the network benefits of smart meters to support customers

As part of our digitilisation strategy we have developed an algorithm which maps and analyses smart meter data to identify the unique voltage patterns of our consumers remotely. This improved visibility of our LV network allows us to see and understand what is connected to each phase of our network, enabling us to connect more low-carbon technology to the existing network and reduce local system energy losses.

"Customers will feel the benefits of this algorithm directly; through quicker and more automated responses to new connection requests, and speedier restoration of local network interruptions. Ultimately better data allows us to run our network more efficiently, providing savings which are then shared with our customers."

Stewart Reid, Head of Future Networks

2 million

EVs on SSEN's networks by 2030 – a 1,900% increase on today.





"It is crucial that networks make their data shareable and adopt the presumed open principle and SSEN is doing some exciting work here with Icebreaker One."



Laura Sandys CBE, Chair of the Energy **Digitalisation Taskforce**



Status: Enhanced

 Generator Constraint Notice Periods: Reducing the notification period for single day outages to 30 days with notice periods for all other outages remaining at 90 days.

Positive impact delivered

- Our DER portal had a positive response from connected generator customers with 712 sites registered on the portal, increasing as new outages are planned, and new customers impacted.
- Implemented in early 2023, all three areas of improvement were overwhelmingly welcomed.

"It's nice to be talked about as customers - that's not always the case with DNOs." Richard Haworth, Glen Hydro

Implementing 'Nudge Theory' to improve customer experiences

We have worked with our partners Influence at Work to identify behavioural science techniques to improve our customers' experience.

Customers told us they wanted to access quality information quickly and easily. Using 'Nudge theory' we made a small changes to our outage notification message, including a reference URL to PowerTrack.

We acted

As a result of this stakeholder feedback we launched a DER online portal so they had access to the latest information. We also undertook a wider review of the services that we provide to our DER customers and consulted on three key improvement areas:

- Constraint Lift Notification: Reviewing our communication to connected generators while impacted during a network outage and exploring the utilisation of a range of mediums to notify when a generation constraint can be lifted on completion.
- Improved Generator Engagement on Major Projects: Looking to establish proactive calls for connected generators impacted by major outages which may have a significant impact.

As a result we've seen a **26% increase in PowerTrack app usage**, which equates to approx. 15,000 less potential inbound calls (over a 30 day period), increasing advisor capacity for customers who don't wish to use online channels. Customers scored 93% satisfaction when being offered the alternative channel.

Nudge theory is also supporting closure of our PSR gaps, with our Inclusive Service Panel supporting a review of the clarity and inclusivity of our communications. Working with Better Words we've targeted the most engaging and inclusive words to connect with our customers and encourage PSR sign ups.

Targeting micro-businesses with energy efficiency measures

We listened

During our iterative engagement on costof-living, stakeholders asked us to consider those not protected by price caps, specifically small businesses who are highly vulnerable to rising energy prices. A recent survey by the Federation of Small Business found that almost half of small and micro businesses cited energy costs as their single biggest concern.

We acted

We engaged with Community Energy South to deliver local energy advice service for micro and small businesses in East Hampshire. Working with Energy Alton, a well-established and respected Community Interest Company, we developed a pilot that provided:

- Free energy surveys of micro and small businesses by a trained energy champion that included an assessment of the business's energy and water bills; energy and water use and thermal imaging.
- An action plan showing measures to

Site Electrification Planning Tool

In our engagement with large fleet operators, we agreed a collective priority was to find ways of better linking their plans for fleet chargepoint roll-out with available capacity.

We listened

To help develop a tool for our commercial customers, we agreed a pilot with BT Group, who have 33,000 vehicles, testing a model to prioritise the roll-out of EV chargers across 100 of their sites as efficiently as possible.

We acted

Using the property information BT shared for all their sites, and building on previous experience working with the Scottish Fire and Rescue Service to support their electric vehicles, we created a bespoke, easy to use tool and guide. This enabled BT to search all

Applying machine learning to improve restoration estimates

We listened

Through feedback, customers told us they have a low tolerance of revisions, or pushbacks, to estimated restoration times (ETRs) during interruptions. Additional research revealed a strong preference for a cautious rather than optimistic initial ETR.

We acted

- We instigated the Smart ETR project
- to explore how advancements in data modelling and artificial intelligence could support better accuracy of estimates.
- We reviewed the existing process and whilst data-driven evidence, such as historic restoration data, and time and location of faults was being used, this was based on manual data feeds which were subject to individuals' optimism bias.
- We built a new significantly expanded data set which has added individual circuit fault

reduce energy consumption, costs and payback periods.

- Installation of measures such as LED lighting, draft proofing and tap flow restrictors.
- Advice on local installers and contractors.
- Certification to show that the business is taking active steps to reduce its carbon footprint and help promoting this.
- A support network that brings together micro businesses to discuss specific topics and encourage shared learning.
- Equipment such as energy monitors and heat cameras available free on request.

Energy Alton also used the pilot to **train and mentor other community energy groups**.

"We are extending this exciting collaboration with Hampshire County Council to support the development of other community energy groups like Energy Alton."

the rating and loading data to find out how

much capacity was remaining on the local

of whether their EV charger installs would

Piloting this tool with a major fleet operator

up to provide the requisite site information

such as BT has demonstrated it can be scaled

for an organisation that is looking to electrify

information and new real-world-factors,

including the live feed of current faults and

fault type, live traffic data, and operational

• Crucially, the Smart ETR tool is built on an

Microsoft AI machine learning platform,

real response times to enhance accuracy

a cable fault or link box failure without

• It applies a 10% conservative bias

"The Smart ETR tool is already

reducing dissatisfaction. Better

still, the AI will improve day by

day, week by week, improving

Troy Fisher, Customer Journey Lead, SSEN

the customer experience."

improving accuracy and

recognising customer feedback.

which constantly learns from new data and

on ETRs and the type of fault i.e., predicting

nreach

transformer to provide a quick indicator

trigger reinforcement or not.

their fleet in minutes

resource availability.

attending site.

Laura Wilson, CES



£131k energy bill savings over the next five years

Status: New

Positive impact delivered

- The tool enabled BT to incorporate the data into wider plans for their sites where increased load (not just EV chargers) was being considered, resulting in efficiencies for BT and SSEN.
- The tool helped BT identify where Authorised Capacity contracted would not be required, resulting in usage and costs savings.
- We now provide this service to all business customers looking to connect EVs chargers at scale to our network.

£2.04 SROI for every £1 spent over 5 years

As a result of efficiency savings.

Status: New DNO First

Positive impact delivered

- 23% improvement in the accuracy of restoration times since implementations.
- Average pushbacks, where a revised ETR is issued, reduced by 38%.
- Customer Satisfaction for 'accuracy and usefulness of the information' increased from 8.65 to 8.78.
- It is expected the AI Machine Learning Model will improve its results by approximately 5% every 30 days, leading to marginal but sustained gains in ETR accuracy.
- The tool will also be utilised during extreme weather events to efficiently allocate resource based on the expected fault type.



Status: New DNO First

30 micro and small businesses provided

27 businesses supported with funding

Six new energy champions trained to

Mentoring support to four community

energy groups in Hampshire to develop

their own micro business advice service.

11.1 tonnes carbon already saved with

the potential to grow to 21.5 tonnes.

every £1 spent over five years \uparrow £

through energy bills savings for customers

micro and small businesses.

£1.95 SROI achieved for

and reducing carbon emissions.

deliver energy advice and support for

with energy surveys and support.

Positive impact delivered

applications.



Championing awareness and demonstrating leadership

We want to be a visible and positive influence in all communities across our licence areas. For us that means leading by example, listening to what matters most to those we serve and being a force for positive change through all that we do.

Protecting consumers in the net zero transition

Our role in the energy system means we have a responsibility to support consumers' participation in the net zero revolution. The cost-of-living crisis has escalated our interventions to alleviate fuel poverty in the here and now, and for the future, it has also focused our attention on the societal disparities that act as a barrier to people benefiting from the net zero energy system. Continuing our industryleading approach to delivering a just transition, we're collaborating across the industry and beyond to assess and understand net zero benefits, but also where gaps in capabilities might emerge, and most importantly, how to tackle these from the outset.

We listened

- Following the publication of SSE's industry-first Just Transition Strategy in 2020, we've undertook detailed customer and stakeholder engagement. Through this process, it was clear that a key concern was how we embed fairness for consumers as the energy system evolves to meet net zero.
- We commissioned research to understand the impact of rising commodity costs for consumers in light of the cost-of-living crisis.
- With the participation of 25,000 households through the Crowdflex project, in collaboration with National Grid ESO, Octopus Energy and Ohme, we gained real world insight into the impact of switching to low carbon technology options at domestic level, and the capability gaps that exist for different types of households.

We acted

We published 'A Fair Energy Future' report to provide a cohesive summary of our engagement work in this space and provide some emerging thinking in this space.

• The reports action plan detailed **10 definitive commitments for SSEN** and **10 recommendations for industry and government** to support the delivery of a fair net zero transition for consumers across four key themes:



"A Fair Energy Future is our initial proposal for confronting issues of inequality head on and enacting real change for energy consumers. This needs collaborative effort from across the energy industry and beyond, and I welcome the stakeholder input that has made our action plan even stronger." Chris Burchell, Managing Director,

SSEN Distribution



 We opened dialogue and galvanized support for the 'Fair Energy Future' actions with a online event attended by over 70 expert stakeholders to critique the action plan and to enrich the detail of the actions for better consumer outcomes.

Positive impact delivered

- 4 out of 5 stakeholders felt 'empowered to take action' on the just transition following the event.
- As a direct result of stakeholder insight gained at the event, we are launching a 'hyperlocal' campaign targeting 500,000 vulnerable households with advice and signposting for energy efficiency measures and funding in the context of the net zero transition.
- We have established a consumer just transition taskforce to monitor progress against the outcomes set out in our Fair Energy Future action plan and will report on delivery in 2024.
- "I was delighted to be part of SSEN's forward thinking event on how we deliver a 'Just Transition' for consumers. It's a big challenge as we look to decarbonise heat and transpor



a big challenge as we look to decarbonise heat and transport when many households are struggling with energy bills today. I see SSEN leading the thinking but with lots more for us all to do going forward."

Maxine Frerk, Director, Grid Edge Policy

DNO First

Status: New

Driving social value in our supply chain

We listened

This year we undertook an extensive exercise to both understand and realise the social value benefits that could be exploited in our supply chain.

- Survey responses carried out in 2021-22 by industry experts Arcadis showed that there were elements of our supply chain that were more mature than us in certain areas of sustainability.
- In 2022-23 we carried out further in-depth research with more than 400 members of our supply chain (more than £50k pa) to increase our understanding of social value.

We acted

- Creating a model to deliver and measure social value by providing employment and training opportunities through educating and influencing our supply chain.
- Realising value through educating our supply chain; creating awareness of the Group Education strategy and seeking engagement to assist with delivery through support with training or employment opportunities.

We've been recognised by CDP for our work engaging with our suppliers to tackle climate change through inclusion in the CDP Supplier Engagement Leaderboard.

Positive impact delivered

A great example is the social value achieved through our tree cutting contract, which resulted in:

Community engagement commitments

- Minimum of 50 hours on local school and college engagement.
- Assign Social Value Co-ordinator to Future Workforce and Early Years Specialist to tailor plan for educational visits (5 hrs per annum (pa) per Lot) on visits.
- £10k of donations and in kind contributions made to local community projects.
- One day per annum (pa) for each field based operative volunteering to support local community projects.

One day pa for each office based operative volunteering to deliver school/ college engagement.

Apprenticeships

- At least 11 apprentice positions in SEPD network area maintained throughout the duration of the Framework, with additional summer internships.
- £500 per quarter as financial donations or time to local community projects plus nine hours per quarter volunteering time per apprentice.

£640k in benefits over five years

Through the creation of apprenticeships, volunteering activities, and donations to local communities.

Maximising the full value of our future workforce

We listened

National Grid's Future Energy Scenarios suggest that by 2029, 117,000 more people will be needed in the 'net zero' workforce, rising to 400,000 by 2050. We want to use this opportunity to proactively recruit for difference so we've taken innovative steps to widen our pipelines.

Currently the average age of a DNO employee is 44 years old, and 15% of the DNO workforce is aged under 30 years (unchanged from 2013), therefore action is needed to ensure that we have the right people to meet our future business requirements.

We acted

Investing in our future workforce is part of our commitment to ensuring a just transition for our existing workforce and the

Reverse Mentoring Programme

All of our Executive Committee are now part of a Reverse Mentoring programme driven by our Inclusion and Diversity Working Group. This is enabling our leadership team to explore assumptions and inequities. By increasing awareness we are able to nurture more inclusive leadership styles and enable greater diversity in the workplace.

"It's been a tremendously eye-opening experience. I've been inspired and never felt uncomfortable proposing topics that pushed boundaries... helped by how open Chris is to thinking about how we can make tomorrow better. It's made me feel included and part of driving SSEN forward.'

Shuba Khatun, Mentor and Smart Meter Lifecycle Analyst, SSEN



"It's been a fantastic opportunity to be guided by someone I wouldn't naturally work with, to help me understand my blind spots and give me grounded, alternative perspectives. Shuba has really challenged my thinking on collective opportunities, such as team empowerment and recruiting for difference."

communities that we serve and work with.

By continuing to grow our workforce we are

helping people transition from high carbon

jobs to high value low carbon roles that are

integral to a successful net zero economy.

This year we've proactively increased our

recruitment, both in volume and available

years ahead. We've specifically expanded

employee population are active learners.

Our young workforce not only strengthen

for our leadership development.

our business to deliver on our net zero aims.

they also offer a diversity of skills, knowledge and understanding which we have harnessed

pipelines to strengthen our workforce for the

our young workforce and our intake of 360

new recruits, school leavers, apprentices and

graduates, means that more than 10% of our

Chris Bratt, Mentee and Director of Asset Management, SSEN

Employing for difference

- We've formed a partnership with Salvesen Mindroom, a Scottish charity that supports, informs and empowers children and young people with neurodivergent conditions along with a research centre of excellence in neurodiversity based at Edinburgh University.
- We were a headline sponsor of the 'It Takes All Kinds Of Minds' ITAKOM 2023 conference



Positive impact delivered

Apprenticeships – EU Skills Pledge

- 110 apprentices have been hired in 2022-23 - three-fold increase on 2021
- 80 Trainee engineers and education partnerships learners hired in 2022-23 three-fold increase on 2021.

Graduate Programme – Creation of 1-3 year Programme of learning

67 graduates hired – seven-fold increase on 2021.

£2.1m benefits delivered this year

Driven by direct salaries to our young workforce and the societal value created by them being more employable in the future.

Next Steps

As we transition from RIIO-ED1 and the SECV submission process, we wanted to give an indication of the focus areas against our strategic outcomes in the year ahead, illustrating our continued and robust commitment to learning from, and acting on, the voice of our customers and stakeholders.

For net zero	For energy security and resilience	For a valued and trusted service	For a positive impact on society
Recognising the important role LAEPs will play in driving local net zero outcomes, we will extend our LAEP+ offer to all local authorities in our licence areas, including the offer of embedded support, and directly engage with businesses and communities alike to deliver strategic initiatives to accelerate LCT deployment. Our commitment to a 1.5-degree science-based target will drive further sustainable outcomes in our operations and supply chain.	We will continue to build on our growing network of relationships and work hand- in-hand on growing community resilience capabilities and preparedness. Our Personal Resilience Plan programme will commence including the provision of 20,000 personal battery packs to the most vulnerable during ED2. We will engage further on the potential of innovation to improve sustainability during outages, pursuing solutions with our future networks team.	Recognising the increasing challenge of connections constraints, we will target stakeholder-driven process improvements, additional digital tools and enhanced data transparency to deliver a leading experience for our customers. We will target removal of Load Managed Areas, and associated customer restrictions, through an innovative link-up with energy suppliers that rewards the network benefits of demand flexibility.	In line with our commitment to a Just Transition, we will drive forward the actions from A Fair Energy Future collaboratively with our stakeholders and publish a second action plan relating to skills and communities. We will continue to collaborate to meet our diversity commitments and encourage greater inclusivity in our workforce. Our new £500k pa Powering Communities to Net Zero fund will provide 'above and beyond' support for LCT take up for those most in need.



"Feedback from colleagues across the Oxfordshire local authorities has been hugely positive –simply having a single point of access to the range of data being made available is in itself really valuable but combining that with the filtering and analytical features available on the LEO-LAEP+ platform takes us many steps further down the line to understanding and being able to plan for the changes we know we need to make as we transition to a net zero energy system across Oxfordshire."

Inga Doherty, Energy Insights Lead, Oxfordshire County Council



Our commitment to collaborative working was recognised at the 2022 Utility Week Awards, where Project LEO won the Collaborative Excellence award.

"Throughout 2022 Regen worked closely with SSEN and the Isle of Wight Council to engage developers, businesses and asset owners and understand the potential for new solar,



battery storage and other technologies on the island, taking a truly collaborative approach to assessing the evidence case for network investment. The evidence in the report is an important step in SSEN's ongoing engagement with Ofgem on a design solution and pathway for investment in the electricity network to support the Council's net zero ambition and deliver for the island's residents."

Merlin Hyman, Chief Executive, Regen "We are very impressed with the pace by which SSEN implement changes and learnings. Envious at your ability to get things done."

Local authority stakeholder

ARDS



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