

**EXECUTIVE SUMMARY**

# **ANNUAL BUSINESS PLAN COMMITMENT REPORT**

**2022/23**



**Scottish & Southern**  
Electricity Networks

Powering our  
community



# MANAGING DIRECTOR'S MESSAGE

**As we reach the end of the RIIO-ED1 price control, we reflect on how we have delivered significant progress and value for our customers over the last eight years.**

This includes meeting our ambitious environmental targets, investing in our network to bring our communities towards Net Zero, and introducing more flexibility and innovative solutions to meet customer needs faster and cheaper.

We have delivered all this amidst a far more turbulent political, economic and social backdrop than was envisaged when we developed our RIIO-ED1 business plan back in 2012. We have adapted to evolving priorities and unexpected challenges, from Brexit, Covid-19, supply market issues, through an emerging cost-of-living crisis to an unprecedented set of winter storms. We have been guided by our purpose and vision throughout, underpinned by four clear priorities:

- **Deliver a safe, resilient and responsive network;**
- **Provide a valued and trusted service for our customers and communities;**
- **Accelerate progress towards a Net Zero world; and**
- **Make a positive impact on society.**

With these priorities at the heart of our decision-making processes, we continue to deliver what is needed for our customers in the most efficient way.

This report summarises the performance of our two electricity distribution networks against our RIIO-ED1 Business Plan (Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc), and outlines our delivery against our RIIO-ED1 Business Plan Commitments. We are proud of our achievements over the past eight years, and we are focused on achieving much more in the next period.

## **Delivering a safe resilient and responsive network**

Safety remains our top priority, and ensuring the safety of our workforce is a core value for us. Over 2022/23, we had 325 'safe days' and a Total Recordable Incident Rate (TRIR) of 0.22 – extending our strong safety performance across the price control. We continue to challenge ourselves to ensure safety remains at the highest standards, particularly as activity levels grow into RIIO-ED2.

Our primary purpose as a distribution company is to deliver a reliable supply of electricity to our customers. Over the course of RIIO-ED1, we have reduced the number of Customer Interruptions by 2% in SEPD and 14% in SHEPD. We will continue to invest in replacing ageing assets to ensure our network is healthy, and use technology to help restore the network as quickly as possible, all with the aim of further improving the reliability of our network.

## **Providing a valued and trusted service for our customers and communities**

We have continued to improve customer service in 2022/23, achieving our highest overall Customer Satisfaction Score of the RIIO-ED1 period. This is testament to our significant investment in improving customer service as part of our customer experience strategy.

2022/23 was a year of particular growth for SSEN Distribution where we strengthened our resilience further by adopting learning from Storm Arwen. The roll out of new processes and procedures have already contributed to improved service, including during the severe weather experienced in Shetland in December 2022, and Storm Otto in February 2023.

## **Accelerating progress towards a net zero world**

In the last year of RIIO-ED1, we continued to invest in our network, with an increase of 72% on reinforcement work compared to 2021/22. This investment reflects the rapid increase in demand and generation growth over the last 12-18 months, all playing a vital role in facilitating Net Zero.

As part of our own commitments to help deliver Net Zero, we set targets to reduce our impact on the environment. We are proud to state that we went beyond our absolute target to reduce our Green House Gas emissions by 15% and achieved a 45% reduction in fluid filled cable leakage.

## **Making a positive impact on society**

2022/23 continued to see a number of challenges associated with the cost-of-living crisis which, alongside resilience, remained an important focus in the last year of RIIO-ED1. We are proud to led the way in a pan-utility project to deliver "ThePSR" website, which removes barriers in Priority Services Register (PSR) promotion for charities and partners who work across DNO and GDN boundaries. Moving forward this will enable national promotion of the PSR – ensuring more vulnerable customers to get the support they need.

## **Delivering our RIIO-ED2 outputs**

While we have many achievements to be proud of at the end of RIIO-ED1, we are ready for the increased scale and pace at which we need to deliver for our customers in RIIO-ED2, to help deliver Net Zero. With RIIO-ED2 now well underway, we have an ambitious and stretching set of outputs to deliver further improvements for our customers. This ambition recognises the critical role that our Distribution networks play in supporting our customers and communities to meet the challenge of the energy transition and we look forward to enabling that journey with them.



**CHRIS BURCHELL**  
MANAGING DIRECTOR  
SSEN DISTRIBUTION





# SCOTTISH HYDRO ELECTRIC POWER DISTRIBUTION (SHEPD)

Performance Snapshot 2022/23



## Our Network

**792,497 customers**

served across our region

**49,763km**

is the combined network length of overhead lines and cables (including subsea)



## Customer Satisfaction

**9.20/10** Overall Broad Measure of Customer Satisfaction score

**Zero Penalties\***

under the penalty only Incentive on Connections Engagement (ICE) Scheme

**6.11/10** Stakeholder Engagement and Consumer Vulnerability Score  
Fourth place DNO group

\* At time of publication, Ofgem has not given a view for 2022/23.



## Environmental Impact

**13,207 (tCO<sub>2</sub>e)**

Total Business Carbon Footprint (excl. losses)



## Finance

**£209.5m**

Total 2022/23 Expenditure  
Expenditure was 136% of our allowance

**£101.24**

Unrestricted Domestic  
Tariff Charge  
Excl. domestic customer rebate



## Reliability

Average number of interruptions per 100 customers per year

**54.52**

Customer Interruptions

excluding exceptional events

**62.20**

Customer Interruptions

including exceptional events e.g. extreme weather

Average number of minutes a customer is off supply

**47.20 mins**

Customer Minutes Lost

excluding exceptional events

**97.71 mins**

Customer Minutes Lost

including exceptional events e.g. extreme weather



## Connections

Time to quote a connection offer

**4.76 days**

Single Connections

average no. of working days to provide an offer

**5.69 days**

2-4 Connections

average no. of working days to provide an offer

Time to connect following acceptance of a connection offer

**21.18 days**

Single Connections

average no. of working days following acceptance

**22.39 days**

2-4 Connections

average no. of working days following acceptance

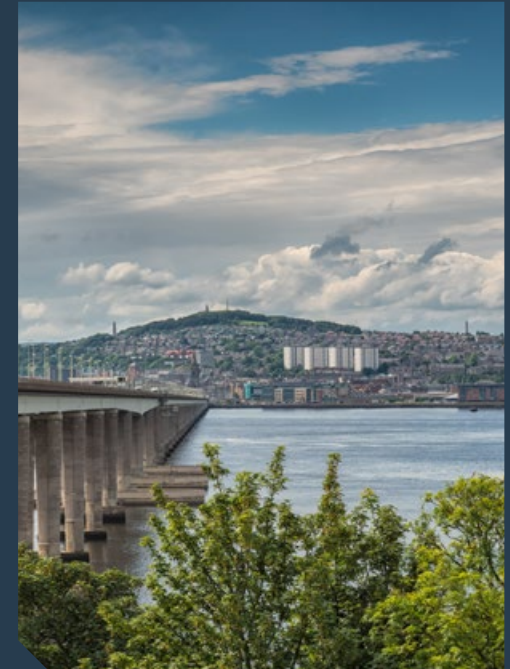


## Innovation

### RESOP

SHEPD has been driving innovation in data visualisation, co-design, and local area energy planning with our RESOP (Regional Energy System Optimisation Planning) project. In partnership with Advanced Infrastructure and in collaboration with Dundee City, Oxfordshire County Council and Oxford City Council, RESOP is delivering a geospatial planning tool that meets the needs of our stakeholders. The culmination of this work is the LAEP+ tool; an intuitive, straightforward platform that shows constraints on the network, allowing local authorities to make better informed decisions about the placement of new energy assets. Our goal in RESOP has been to create a 'one stop shop' for energy spatial planning, using simple, straightforward traffic light systems and a 'drag and drop' operation that is ready for local authorities to utilise in their Local Area Energy Planning processes.

Over the past year, RESOP has been engaging with multiple local authorities and stakeholders from other energy sectors to refine the use cases of the LAEP+ tool and identify gaps to inform future work.



## Safety

In December 2022, Shetland saw an exceptional event in terms of weather, and in the response from Distribution colleagues across the business who ensured our customers were back on supply as quickly as possible, without any reportable injuries recorded.

**If it's not safe we don't do it.**





# SOUTHERN ELECTRIC POWER DISTRIBUTION (SEPD)

Performance Snapshot 2022/23



## Our Network

**3,138,114 customers**

served across our region

**79,064km**

is the combined network length of overhead, underground (including submarine) cables and lines



## Customer Satisfaction

**8.45/10** Overall Broad Measure of Customer Satisfaction score

**Zero Penalties\***

under the penalty only Incentive on Connections Engagement (ICE) Scheme

**6.11/10** Stakeholder Engagement and Consumer Vulnerability Score  
Fourth place DNO group

\* At time of publication, Ofgem has not given a view for 2022/23.



## Environmental Impact

**32,084 (tCO<sub>2</sub>e)**

Total Business Carbon Footprint (excl. losses)



## Finance

**£282.15m**

Total 2022/23 Expenditure  
Expenditure was 103% of our allowance

**£70.51**

Unrestricted Domestic  
Tariff Charge  
Excl. domestic customer rebate



## Reliability

Average number of interruptions per 100 customers per year

**43.94**

Customer Interruptions  
excluding exceptional events

**45.51**

Customer Interruptions  
including exceptional events e.g. extreme weather

Average number of minutes a customer is off supply

**45.74 mins**

Customer Minutes Lost  
excluding exceptional events

**46.40 mins**

Customer Minutes Lost  
including exceptional events e.g. extreme weather



## Connections

Time to quote a connection offer

**4.45 days**

Single Connections  
average no. of working days to provide an offer

**9.02 days**

2-4 Connections  
average no. of working days to provide an offer

Time to connect following acceptance of a connection offer

**47.34 days**

Single Connections  
average no. of working days following acceptance

**52.46 days**

2-4 Connections  
average no. of working days following acceptance



## Innovation

### NeRDA

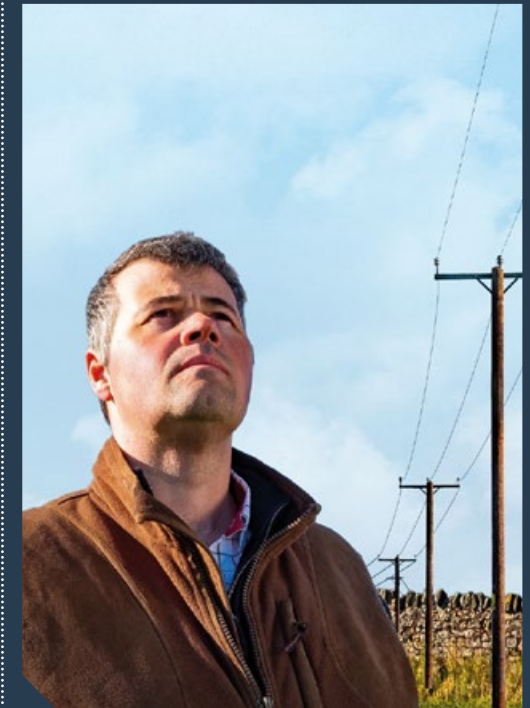
In SEPD, our Near Real-time Data Access (NeRDA) portal is unique in making near real-time network data available to stakeholders. Supporting our commitment to Open Data, the NeRDA portal makes power flow information available from our EHV, HV, and LV networks. NeRDA demonstrates a first for the UK, with a DNO making network loading information including, LV, available to external users in near real-time. This enables stakeholders to derive maximum value from the use of the data. For example, a local energy project can now access near real-time data and can identify opportunities to connect and also areas of constraints (which could restrict low carbon technologies being installed), allowing them to make better informed decisions.



## Safety

### Look Out, Look Up

In 2022/23, our campaign 'Look Out, Look Up' continued to move forward, joining forces with the National Farmers Union (NFU) to provide farmers with crucial information that could help save lives and prevent debilitating injuries. As we move forward into RII0-ED2, we will progress this collaboration to continue to raise awareness, including sessions with NFU members and speakers from SSEN's Distribution Safety Team.





# COMMITMENTS SUMMARY

This page sets out a summary of our performance against our commitments for the RIIO-ED1 period.

As this is our last report for RIIO-ED1, we have updated the key to reflect our final position.

## KEY



Complete



Delivery in RIIO-ED2 (carried over)



Substantially met



Repurposed to deliver better customer outcomes



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Electricity Networks

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