

Please complete the following Entry Form alongside your Part 1 Submission.

STAKEHOLDER ENGAGEMENT INCENTIVE SCHEME



Making a positive difference
for energy consumers

PART 1 SUBMISSION ENTRY FORM

COMPANY DETAILS: (please complete)

Company: SP Energy Networks

Licensee(s): SP Transmission plc

Address: 3rd Floor, SP House, 320 St
Vincent Street, Glasgow

Postcode: G2 5AB

CONTACT DETAILS: (please complete)

Name: TRACY JOYCE

Title: HEAD OF STAKEHOLDER ENGAGEMENT AND COMMUNICATIONS

Telephone: 0141 614 1582

Email: tracy.joyce@spenergynetworks.co.uk

MINIMUM REQUIREMENTS

Please provide supporting evidence and high level overview of how your company has met the Minimum Requirements set out below:

	Evidence referred to within application (i.e., evaluation, assurance report, survey, etc.)	Overview of your arguments demonstrating compliance with requirement. Clearly signpost as to additional relevant evidence/ information within Submission
<p>The network company has a comprehensive and up to date stakeholder engagement strategy, which sets out:</p> <ul style="list-style-type: none">- how the network company keeps stakeholders informed about relevant issues, business activities, decision-making and other developments;- how the network company enables timely input and feedback from stakeholders via appropriate mechanisms to inform decision making.	<p>Health Check Statement: AccountAbility, owners of the globally recognised AA1000 stakeholder engagement standard conducted a health check on our strategy, governance, activities and communication performance against this standard. Placed in top 27% of organisations, receiving ‘Advanced maturity’ – Commitment to AA1000APS (2008) – 88% / Integration into organisational governance – 75% / Integration into operational strategy – 75%.</p> <p>The evidence for this includes:</p> <p>Part 1 page 2 describes how we’ve approved our strategy and outcomes in the past year, and our strong assessment against the AA1000 standard.</p> <p>Part 1 page 3 describes how our strategy aligns with the AA1000 principles of Inclusivity, Materiality and Responsiveness, and the 7-pillars that enable us to deliver them.</p> <p>Part 1 page 4 describes our four-step engagement planning and delivery process, where we work with stakeholders to identify and shape mutual strategic risks, identifying and prioritising a broad and inclusive range of impacted stakeholders including hard to reach and challenging stakeholders, how we inform and engage stakeholders through a variety of mechanisms and how we record feedback and take action.</p> <p>Part 1 page 5 describes how we use the information gathered through stakeholder mapping to tailor engagement and use the appropriate mechanisms, and indicating the varied mechanisms used to engage 105,556 stakeholders through 525 transmission engagements.</p> <p>Part 1 page 6 describes how we enhance consistency through our end-to-end system.</p> <p>Part 1 pages 7 and 8 describe how our perpetual feedback loop drives relentless service improvement, and demonstrates a small selection of the actions and outcomes realised through continuing use of the feedback loop.</p> <p>Part 1 page 9 describes how we are enhancing consumer voice and collaboration.</p> <p>Part 1 page 10 describes how responsibility for engagement is embedded throughout all layers and locations of our business, how information is shared, and how we govern the process.</p> <p>Our stakeholder engagement strategy is annually updated and signed off by our CEO and Executive Team, and can be found at: https://www.spenergynetworks.co.uk/userfiles/file/20170608_SPEN_SEStrategy_V4.7FINAL.pdf</p>	<p>We have a comprehensive stakeholder engagement strategy that aligns with the AA1000 Stakeholder Engagement Standard. Our strategy shows how we define the purpose of each engagement, how we identify the broad range of stakeholder groups we engage with, how we carry out engagement, how we collect and act on feedback, and how we deliver the outcomes and impacts our stakeholders value.</p> <p>Our strategy is independently reviewed against the AA1000SE standard annually. It is updated and approved annually by our CEO and Executive Team. Relevant evidence for this is in:</p> <ul style="list-style-type: none">• Part 1 pages 1-10• Part 2 throughout <p>AccountAbility said ‘SP Energy Networks demonstrated a strong performance across the various elements of AccountAbility AA1000SES, 2015. With a total score of 66%, the organisation lies within the Advanced Stage of the AccountAbility Stakeholder Engagement maturity ladder. The score is a very strong score, notably for a first time assessment.’ The full AccountAbility statement available upon request.</p>

<p>A broad and inclusive range of stakeholders have been engaged.</p>	<p>Our strategy for inclusivity is described in our 4-step planning process in Part 1, page 4 and in our feedback loop on page 7</p> <p>Step 1 – we use a variety of sources, including existing engagement, such as strategic stakeholder panels and in-depth annual surveys to identify and validate business and stakeholder priorities and emerging themes. Managers then identify the stakeholder and business strategic issues and risk across each of the 14 licence and topic-specific engagement plans.</p> <p>Step 2 – senior managers select impacted stakeholder groups and hard to reach or challenging stakeholders, applicable to the topic, from a master list of 139 categories. From this list they attribute a prioritisation rating to each stakeholder group, based on interest in this subject and influence over our organisation on this subject. The resulting ranking produces four levels of stakeholders on our interest/ influence matrix. We then build and prioritise our engagements against these rankings.</p> <p><u>Updated engagement planning process</u> We clarified our engagement planning process to make clear that senior managers only conduct interest and influence mapping on impacted stakeholders. We have also introduced a specific step to identify hard to reach or challenging stakeholders at this stage, Part 1 page 2.</p> <p><u>Tractivity system enables us to broaden engagement</u> Our end-to-end engagement system enables us to be more focused/agile in engagement planning, with the ability to target the right people and identify and close gaps. The system identifies and reduces engagement overlaps, enabling more efficient engagement and reducing fatigue. Part 1 page 6.</p> <p>This year we engaged 108,286 stakeholders through dialogue, consultation, information gathering and information giving.</p> <p>We added three new engagement opportunities, reaching an additional 1043 stakeholders through direct engagement: <u>Stakeholder Conferences – Part 2 page 2</u> New stakeholder conferences enabled a more diverse cross section of our stakeholders to engage with our CEO and whole executive team on some of the biggest energy challenges of the moment.</p> <p><u>Willingness to Pay – Part 2 Page 2</u> Our Strategic Stakeholder Panel discussed value for money, providing feedback that there’s a need for detailed engagement with stakeholders on value for money, and that there’s a need to determine how to constructively engage current and future stakeholders in the debate. Domestic customer focus groups revealed insights on the level of detail they needed to be able to participate in engaging on network costs and value. The resulting new intuitive Willingness to Pay online tool has enabled 999 end consumers to reflect their needs and preferences by easily prioritising the flexible element of their bill, over and above the essentials required to deliver a safe and reliable electricity supply.</p> <p><u>Young Energy Force – Part 2 page 2</u> Key stakeholders told us that future stakeholders are a key group who are currently underrepresented in network operator engagement. In response, we hosted ten diverse future stakeholders at our Young Energy Force panel pilot to understand their expectations and priorities. 100% of Young Energy Force panel members would like to attend again.</p>	<p>Every outcome in our part 2 submission has been supported by engagement with a broad and inclusive range of relevant stakeholders. A summary table of all transmission engagement carried out in 2017-18 is included in Part 1 on page 5.</p> <p>Throughout our Part 2 submission, we show how engagement with diverse stakeholders has helped us to deliver robust results.</p> <p>Scotland’s Energy Strategy – Part 2 pages 3-4 – Two Strategic Stakeholder panel meetings specifically focused on the Scottish Energy Strategy and Transmission Future Energy Scenarios, with contributions from the Scottish Government, SGN, Citizens Advice Scotland and attendance from TESLA./ Presentations facilitated and recorded table discussions between stakeholders and members of our executive team, interactive voting and Q&A at our annual stakeholder conference/Intensive engagement with 104 impacted and expert organisations in sustainability, including Centre for Sustainable Practice./Topic specific working group formed with subject matter experts, who can help drive development of our sustainability strategy and challenge senior management.</p> <p>Getting Renewables connected to the grid – Part 2 pages 5-6 -Annual User Summit for the renewable developer community with Directors and Senior Managers, timed to coincide with the Scottish Green Energy Awards for maximum participation./Twice yearly User forums specifically for developers seeking to connect in the heavily constrained areas of South West Scotland and Dumfries and Galloway. /Engaged via two Distributed Generation workshops, Distributed Energy Resources forum and DNO Connections Commercial Operations Group in order to update developers and the wider industry on efforts to remove Transmission constraints and bottlenecks.</p> <p>System Resilience – Part 2 pages 7-8 – Proactively engaged with both the East and West of Scotland Resilience Forums, and at 5 Local Resilience Partnerships, to raise awareness of our emergency plans and seek feedback from stakeholders./ Proactively targeted key impacted stakeholders including the NHS, the Scottish Environmental Protection Agency, Transport Scotland, Network Rail and various local authorities for knowledge sharing and to provide the opportunity to influence our emergency plans./Hosted a Business Continuity Institute event at our headquarters in Glasgow, welcoming visitors from across the business community to discuss the resilience of local businesses.</p> <p>Strengthening the Consumer Voice – Part 2 page 9 – Domestic customer focus groups revealed the level of detail they would need to be able to participate in engagement on Transmission network costs and value./ Several bilateral meetings with consumer groups encouraged us to challenge our approach to consumer engagement, and feedback from Ofgem agreed that future stakeholders are a key group who are currently underrepresented in network operator engagement.</p> <p>Whole-system energy planning – Part 2 page 10 – Papers submitted and presentations delivered at 7 major global industry events, receiving feedback and learning best practice from world leaders across the energy system.</p>
---	---	--

<p>The network company has used variety of appropriate mechanisms to inform and engage their stakeholders – these have been tailored to meet the needs of various stakeholder groups, and are fit for purpose in allowing a detailed analysis of a breadth of stakeholder perspectives.</p>	<p>Our strategy for informing and engaging stakeholders through a variety of mechanisms is described in Part 1, page 4: In step 3 of our engagement planning process, managers tailor engagement as appropriate to the interest and influence level of the stakeholder groups, using the spectrum of engagement types to plan their work. This ensures our engagement is targeted using a variety of appropriate mechanisms.</p> <p>A summary table of the varied mechanisms used for transmission engagement is included in Part 1 on page 5.</p> <p>Part 2 page 9 describes how we've used engagement to define our approach to strengthening the consumer voice, resulting in a new intuitive Willingness to Pay online tool for domestic customers, and a new Young Energy Force panel pilot for future stakeholders.</p> <p>Part 1 page 3 details our compliance with the globally recognised AA1000SE standard for stakeholder engagement.</p> <p>Part 2 (all pages) shows the wide range of mechanisms that we have used to inform and engage stakeholders, based on their preferences. It gives a picture of how our embedded engagement model enables tailoring to the level, location and interests of specific stakeholders, while our strong end-to-end system enables all feedback to be brought together to give a rich overall picture and improved outcomes for all.</p>	<p>Part 1 page 6 demonstrates how we are using data analytics to transform the way we plan and deliver our engagement with stakeholders. To do this, we have invested in a game-changing new engagement management system, Tractivity. Using the information gathered in our planning process and the results of our stakeholder mapping, we tailor our engagement using appropriate mechanisms. Senior managers are guided by our spectrum of engagement types, using this to select the most appropriate mechanisms for engagement based on the needs of impacted stakeholders. Each engagement plan is reviewed by the central stakeholder team and tracked by smart reporting in Tractivity.</p> <p>With a total of 850 engagements logged across our business in the last year, the data now generated is significant. We are able to use this data to drive improvements in our future engagement – fully closing the engagement loop.</p> <p>AccountAbility said they found ‘Strong commitment to stakeholder engagement underpinned by a comprehensive strategy, multilayered governance, and tools and processes. Solid practices in terms of planning, preparing, implementing and reviewing engagements, as well as embedding stakeholder feedback in business strategies and plans.’ The full AccountAbility statement available upon request.</p>
<p>The network company can demonstrate it is acting on input / feedback from stakeholders</p>	<p>Our strategy for recording feedback and taking action – Part 1, page 4: In step 4 of our engagement planning process, we gather feedback, analyse it and then take the right action. Our new Tractivity stakeholder engagement management system is where this information is logged, keeping us on top of stakeholder feedback and our associated actions.</p> <p>Our engagement process and subsequent work is driven by the feedback we receive. This is crucial in designing and delivering a service that is right for those affected by any area of our business. Actions resulting from stakeholder engagement are detailed in Part 1 page 7 and a table of all engagement actions and outcomes is available here: http://www.spenergynetworks.co.uk/stakeholderfeedback</p> <p>Transmission Operator Best Practice Working Group: We work closely with other TOs through our best practice group. The Working Group considers aspects of engagement where working together will lead to benefits for stakeholders. A joint appendix is provided which demonstrates progress to date.</p>	<p>Our annual engagement planning process is embedded right across our business. The final step of his process is to record stakeholder feedback and associated business actions. Pages 7-8 of part 1 explain how our perpetual feedback loop is driving relentless service improvement and provides a snapshot of the actions we have delivered in response to stakeholder feedback.</p> <p>Our embedded governance structure, described in Page 10 of Part 1, enables sharing of feedback and stakeholder input between all levels of the organisation, which allows buy-in from senior management and decision makers to act upon feedback.</p> <p>In Part 2 of our submission and we cover a wide breadth of strategic issues and stakeholder groups, for each one demonstrating the outcomes achieved for us and for our stakeholders.</p>