

# Stakeholder Engagement Incentive Submission

Part **1**

2019/20 Our transformational engagement strategy



Scottish & Southern  
Electricity Networks

TRANSMISSION **sse**

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# Section A: About This Submission

Welcome to SSEN Transmission's Part 1 2019/2020 Stakeholder Engagement Incentive submission. This document demonstrates that our stakeholder engagement strategy exceeds Ofgem's minimum requirements.

## About us

SSEN Transmission (SHE Transmission) maintains and invests in the high voltage transmission network in the north of Scotland. Our network consists of underground and subsea cables, overhead lines and substations extending across over a quarter of the UK's land mass including some of it's most challenging terrain. We power communities by providing a safe and reliable supply of electricity. We do this by taking the electricity from generators and transporting it at high voltages over long distances through our transmission network for onwards distribution to homes and businesses in villages, towns and cities.

## Introduction from our Managing Director

I'm really proud of the achievements we have made in the last year in stakeholder engagement, particularly our recent 'mature' rating awarded as part of the AA1000 Stakeholder Engagement Healthcheck. When I took on the role of Managing Director of Transmission last year, this was one of the things stakeholders were specifically asking us for. It's a great example of how we have responded to the direct asks of our stakeholders.

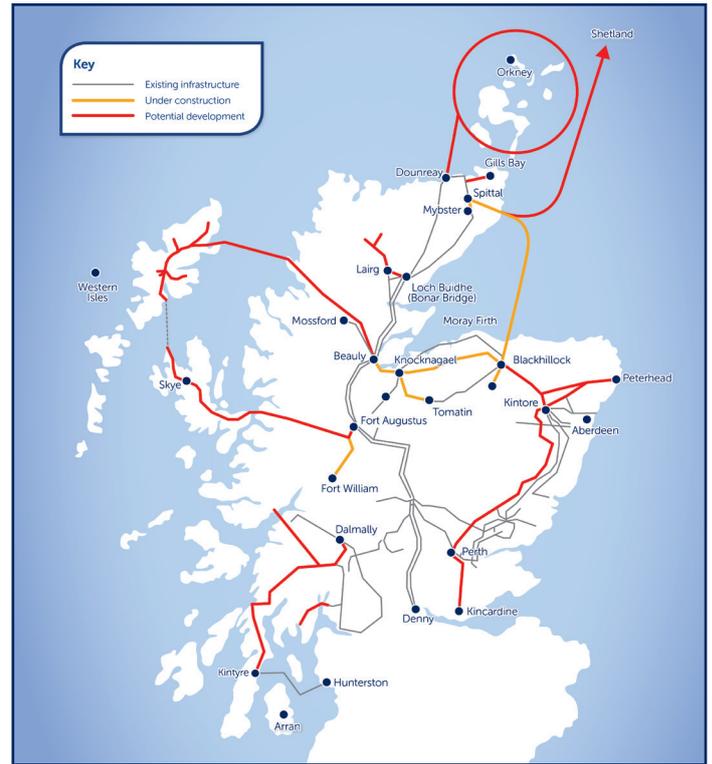


**Rob McDonald**

The Mature rating was achieved because of the huge efforts we have put in over this year to embed our new engagement strategy which was co-created with stakeholders to deliver in the best interest of consumers and wider stakeholders, including society and the environment. I'm really pleased to say we have successfully implemented our stakeholder-led strategy, with an updated operational model which allows us to deliver on our objectives. We rolled out enhanced governance and processes to establish robust management of stakeholder engagement and bring a greater consistency to our stakeholder engagement.

The Transmission Executive Committee (TEC) is very proud of our increased involvement in determining and owning our strategic engagement activity; and all papers and proposals to the TEC now include a mandatory section on stakeholder engagement. Stakeholder engagement is now represented at Director level, ensuring our stakeholders are at the heart of strategic decisions; and we have increased engagement resource from just 8FTE to over 20. Across the business, all Directors and their reports have a specific and measurable stakeholder engagement objective, tracked to performance. In 2019 we undertook our most ambitious, sector leading engagement campaign: the consultation on our RIIO-T2 Business Plan. Applying our new strategy to this forward planning has delivered a stakeholder supported Business Plan that provides huge benefits for stakeholders and can kick start the UK's Green Recovery from the impact of COVID-19.

The changes we have made to our business have resulted in a complete culture shift, and our people are behaving in new ways which bring in stakeholder views from the very start. These achievements have undoubtedly supported us in adapting to the COVID-19 pandemic. With a switch to over 450 staff working from home overnight, we have risen to the challenge of taking our engagement online. We will continue to improve and find innovative ways of engaging in challenging times. I hope you will agree this submission evidences a significant culture shift to a stakeholder-led business, now embedded from a senior level throughout the organisation.



## Strategic Themes

Our business operates under the four strategic themes outlined below. These themes were developed in collaboration with stakeholders and are designed to deliver against their needs as we work towards our main objective: "To enable the transition to a low carbon economy." Part 1 of this submission sets out the engagement strategy, process, and governance that we have instilled in our business to deliver these objectives through a stakeholder-led approach. Under each theme, we have provided a snapshot of our engagement initiatives.

- 1  **Stakeholder-Led Strategy**
- 2  **Safe and Secure Network Operation**
- 3  **Sector Leading Efficiency**
- 4  **Leadership in Sustainability**

The table below summarises the actions we have taken in this submission to address the previous feedback from the panel:

Ofgem Panel Feedback on 2018/19 Submission	What we did
Demonstrate a holistic approach to engagement	All initiatives linked to Strategic Objectives and Strategic Themes. See also Section A of Part 2
Evidence embedding of the new strategy in the business	See Section F: Our Team for summary of change and implementation actions
Have a clear strategic narrative that can build year on year	See Strategic Themes in Part 1 introduction and labelling of initiatives in Part 2
Focus on smaller number of initiatives with more detail	Reduced number of initiatives included in Part 2 with more detail for each initiative.
Use consistent description: stakeholder ask, what we did, benefit	Consistent format applied across all initiatives in Part 2 to meet this guidance.
Demonstrate and evidence measurable benefits	Quantitative and qualitative benefits included for all initiatives. See benefits table on page 4.
Better demonstrate leadership buy in	See Section F: Our Team and involvement of Directors included in Part 2 initiatives.
Evidence use of other forms of digital media	Increased digital engagement via website and social media. See initiative 1.4 in Part 2

# Section B: Stakeholder Engagement Strategy

2019 was a pivotal year for stakeholder engagement in SSEN Transmission as we developed, consulted on, published and embedded a new Stakeholder Engagement Strategy. The new strategy was developed based on stakeholder views, best practice within our own business, from other network companies and from outside our sector. The strategy was refined through collaboration and consultation with stakeholders which tailored these approaches to fit our sector and the expectations of our stakeholders.

The strategy, shown over the page, sets out our clear aim and ambition, the objectives for achieving these, and a set of simple principles for how we engage. These principles (how we engage, page 3) are aligned to the AA1000 Stakeholder Engagement Standard.

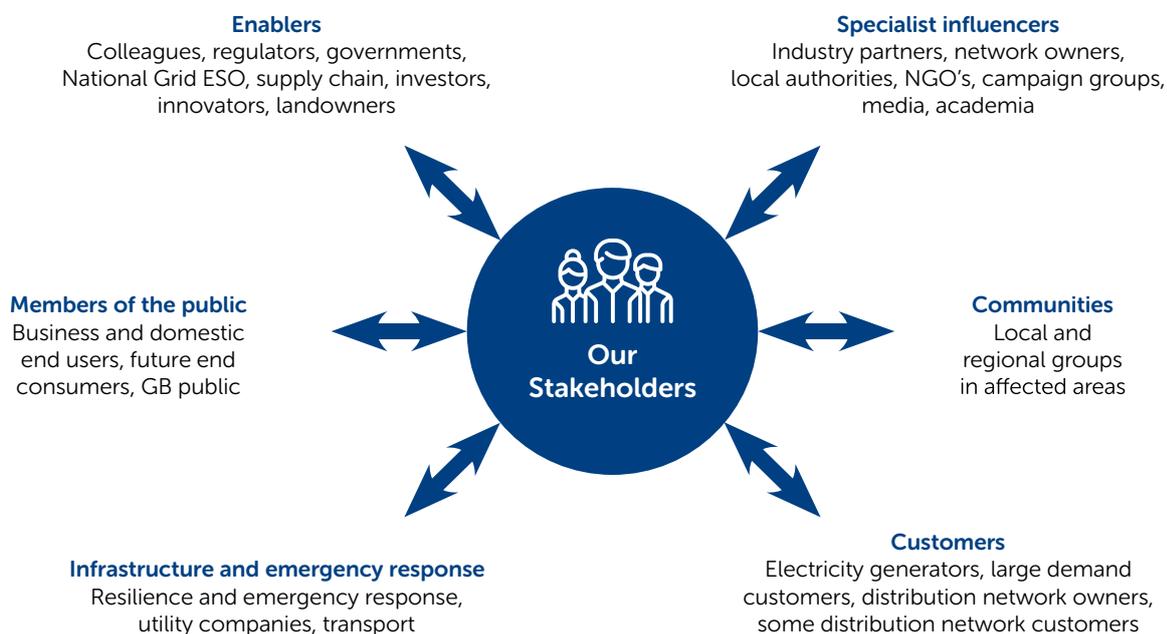
Our most successful engagements from recent years have delivered: increased stakeholder satisfaction, better outcomes for consumers and society, and real progress on energy transition aims. By implementing the strategy consistently across our business, we are delivering these benefits in more areas. The strategy implementation is being delivered through an accelerated business and behaviour change programme at all levels of our business.

## Our Stakeholders

For our strategy we have adopted AccountAbility's definition of stakeholder which is "any individual, group of individuals, or organisations that affect and/or could be affected by [our] activities, products or services, and/or associated performance".

The picture below summarises our stakeholder groups. Having developed a full picture of our stakeholders and understanding of their preferences, we tailor our engagement with each audience on every activity. We have moved our categorisation and segmentation of stakeholders beyond the classic influence/interest matrix to include demographic, geographic, psychographic and behavioural differences. This lets us factor in considerations of knowledge, values, locational factors, level of impact and the potential value and benefit of engagement. This ensures purposeful, meaningful and accessible dialogue at all stages, and enables us to deliver value for money services that exceed stakeholder expectations. This includes action to involve hard to reach stakeholders and non-responders in our engagements.

During 2019 we refreshed our stakeholder mapping in collaboration with our colleagues in SSEN Distribution. This collaborative approach helped identify shared stakeholders and plan processes to avoid stakeholder fatigue that could be caused by this overlap.



## Progress on our Improvement Plan

In 2019 we set out an improvement plan for stakeholder engagement, as a critical part in demonstrating a holistic approach to stakeholder engagement for the remainder of RIIO-T1 whilst preparing for RIIO-T2. We have made exceptional progress on all areas of the improvement plan, and in realising the planned goals we have undergone a significant cultural shift. The improvements made have enabled us to put stakeholder engagement at the heart of everything we do.

In Part 2 of our submission we are pleased to record a number of our initiatives have a Cost Benefit Analysis (CBA) in place this year. The CBA's have been developed by the dedicated Project Teams. We have also established an approach to quantifying benefits of all our stakeholder engagement.

Improvement Plan	What we did
Align senior leadership with dedicated resource	New organisational structure embedded, see Initiative 4.2
Engagement strategy and consultation	Final strategy and consultation report published September 2019
Engagement implementation plan	Action plan published, training provided to employees, see Initiative 1.2
Clear governance and accountability	Clear ownership at Executive and Board level, see Part 1 Section F
Measure benefits of engagement	Social, economic and environmental value measured, see Part 1 Section B
Behaviour change measures	Stakeholder engagement included in employee objectives and recognition given, see Initiative 1.2
New engagement tools, processes and systems	Tractivity embedded in Transmission. New tools rolled out, see Initiative 1.2
Update KPIs as requested by stakeholders	New KPIs implemented and performance tracked, see Part 1 Section E
Undertake Accountability AA1000 Healthcheck and Engagement Strategy Audit	Healthcheck complete – Mature result; Exceed result on Engagement Strategy Audit, see Part 1 Section C
Building stakeholder engagement team capacity	Stakeholder engagement resource appointed. Engagement training and coaching delivered, see Initiatives 1.2 & 4.2

## Why we engage

To effectively understand and include the needs of our stakeholders in our current network planning, development and operations, and in planning for a decarbonised future

## What we want to achieve

To be at the forefront of engagement practice by increasing our insights, working collaboratively through partnerships and taking action to achieve real benefits for our stakeholders and society

### The strategic objectives that will help us do this

#### Experience

1. Enable and encourage stakeholder input by providing easy access to ourselves and appropriate information as well as ensuring our communications are inclusive
2. Build intelligence on stakeholders' needs so we can make balanced and fair decisions which anticipate and meets their needs
3. Work with stakeholders in our planning and delivery, and strive to achieve mutually acceptable and agreed outcomes

#### Action

4. Develop consistent and transparent processes to capture, act on, discuss and feedback on stakeholder input
5. Develop a culture of engagement by implementing a training programme for our employees and ensuring accountability through clear roles and responsibilities

#### Future

6. Develop future optionality with input from a diverse group of stakeholders
7. Actively participate in industry change as a committed advocate for stakeholders, society and the environment

## How we engage



## Measuring the Value of Our Engagements

We measure the social and economic value of our engagements using a number of metrics, dependant on the nature of the initiative and it's intended outcomes. The table below illustrates the value measurement we have undertaken for the initiatives presented in our submission. The majority can be measured quantitatively with clear metrics. In some cases the value is qualitative and forms part of a less definitive stakeholder request, for example, visual amenity benefit.

	Value Measure	Metric
Economic	Reduction in capital and/or operational costs, resulting in savings for consumers	Financial benefit (£)
	Avoidance or deferral of capital and/or operational costs, resulting in savings for consumers	Financial benefit (£)
	Increased revenue - developers, customers	Financial benefit (£)
Social	Community Value (a calculation of the benefits to members of the Community)	Average salary generated hourly rate multiplied by hours
	Direct economic benefit to the Community e.g. donations	Financial benefit (£)
Environmental	Renewable Electricity Generated	MW
	Visual amenity	Amenity value based on Consumer Willingness to Pay survey results
	Reduction or displacement of greenhouse gas emissions (CO2e), and avoided cost to society	Tonnes (CO2e) and £ based on Department for Business Energy and Industrial Strategy non-traded carbon price forecast
	Reduction / elimination of waste from site	Tonnes
	Reduction in use of SF <sub>6</sub>	M <sup>3</sup> (gas)
	Biodiversity gain	Enhanced Defra Bio Metric tool, based on unitised habitat values
	Knowledge disseminated, sector leading innovations and partnerships co-created	Qualitative measures

## Section C: AA1000 Healthcheck and Strategy Audit

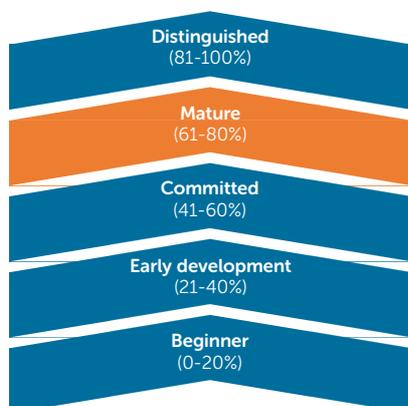


In February 2020, AccountAbility conducted an independent Healthcheck of our stakeholder engagement performance against the internationally recognised Standard AA1000SES (2015). This was undertaken in direct response to stakeholder feedback and to meet industry best practice.

### SSEN Transmission Performance Overview

SSEN Transmission demonstrates high performance across the various elements of AccountAbility's AA1000SES (2015). With a **total score of 62%** the organisation lies within the **Mature** stage of the AccountAbility Stakeholder Engagement Maturity Ladder.

#### STAKEHOLDER ENGAGEMENT MATURITY LADDER



In April 2020, ERM Certification and Verification Services (ERM CVS) conducted an independent assessment of our performance against our Stakeholder Engagement Strategy and Delivery Plan and Implementation Plan for 2019/2020. The limited assurance methodology is based on the International Standard on Assurance Engagements ISAE3000 (Revised). The Terms of Reference, agreed by Ofgem, detail what level of performance we had to achieve to be assessed as either having complied, exceeded compliance or failed to comply with our Stakeholder Engagement Strategy and Delivery Plan.

**ERM CVS concluded that SSEN Transmission had exceeded compliance with its Stakeholder Engagement Strategy for 2019/2020.**

ERM CVS concluded that the evidence provided to the assessor provides sufficient confidence that SSEN Transmission is proactively engaged in delivering its Stakeholder Engagement Strategy and Delivery Plan, in particular:

- Our personnel demonstrate an understanding of the six elements that form the basis of our Stakeholder Engagement Strategy and Delivery Plan.
- We have undertaken activities equal to or equivalent to those activities set out in our Stakeholder Engagement Strategy and Delivery Plan.
- Additional activities have been undertaken to further understand stakeholder requirements or preferences and/or to respond to particular needs of one or more stakeholder groups; and/or
- We have demonstrated that we have sought to go beyond the scope of our Stakeholder Engagement Strategy and Implementation Plan to better achieve our stated aim of placing stakeholders at the centre of our business planning and improvement processes.
- Variation from our Stakeholder Engagement Strategy and Implementation Plan can be justified by reference to stakeholder preferences or alternative approaches have been adopted to meet the same overarching objective.

# Section D: Stakeholder Engagement Process

## Stakeholder insight

Last year we undertook a stakeholder mapping exercise across the business, to share our knowledge of stakeholder groups and increase the quality of our insight. The output was a GDPR compliant and enriched stakeholder list on Tractivity, a single source of information and a management tool.

## Action plan

Our stakeholder action plan brings structure and consistency to our engagement.

We combined our operational needs with those of our stakeholders, to determine a series of initiatives which are timebound with identified senior leadership champions.

## Feedback

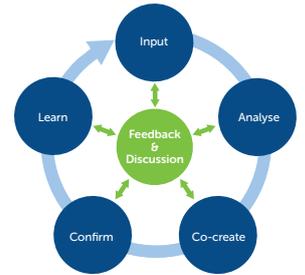
We know from best practice that to effectively use stakeholder input and deliver meaningful feedback. We have put in place to processes and systems which will enable us to store, search, analyse and retain data. We do this by:

- Identifying those who should/want to be involved;
- Co-creating an engagement plan identifying when, how and what they want to be engaged on;
- Encouraging open and continuous discussions;
- Sharing information that explains how and why decisions are made, including how findings from engagement have been applied.

## Partnerships

We co-create solutions with stakeholders in a structured, fair and balanced process. We believe success is when our stakeholders trust us and advocate on our behalf. We achieve this by;

- Understanding all our stakeholders and their needs;
- Being open to stakeholders raising challenge or questions;
- Coming together to determine priority areas to focus on;
- Working together to develop meaningful outcomes;
- Maintaining on-going discussions about what can and can't be achieved.



## How We Engage

### 1. Purpose, scope and influence

At the outset we identify the purpose and scope for stakeholder influence

#### Tools and Processes

- Stakeholder Mapping
- Tractivity
- Regular gap analysis of stakeholder list

### 4. Carry out engagement

Our engagement lead implements the initiative in line with our principles. Business teams are supported by the Transmission Stakeholder Engagement Team who provide leadership and coaching.

#### Tools and Processes

- Engagement Principles
- Monthly progress reporting
- KPI's



### Principle 1: We seek input and learn from experience

When we proactively reach out to stakeholders, we achieve more efficient outputs because we are informed by a diverse range of information. This allows us to meet the needs of our stakeholders, increase innovation within the business and develop our continual improvement process.



### Principle 2: We share knowledge and develop joint expertise

We recognise to solve the energy challenges we face, we need external expertise, but we also have knowledge that can help our stakeholders. By sharing knowledge, we can speed up the learning process, develop innovative solutions, and improve our stakeholders' satisfaction as it gives them the information they require.

### 2. Identify and categorise

We identify our stakeholders and categorise using the stakeholder groups defined in our Strategy.

#### Tools and Processes

- Identifying and categorising using our strategic stakeholder groups

### 5. Review feedback and act

We gather a wide range of qualitative and quantitative feedback from stakeholder groups. Feedback is analysed and we identify learning and improvement action to be implemented.

#### Tools and Processes

- Surveys and questionnaires
- Analysis of data including website hits and social media impressions



### Principle 3: We build partnerships based on mutual values and trust

To deliver whole-system outputs that deliver the most benefit to the end consumer, we need to work as partners. This means we need to develop stronger relationships which enable open and honest discussions and encourages shared responsibility where appropriate.



### Principle 4: We adapt and respond to the needs of stakeholders

Energy networks are built and operated to meet the needs of current and future customers. To do this, we sometimes need to make decisions which may not satisfy all stakeholders; particularly where the interests of different parties are in conflict. However, we will adapt where possible and provide clear information on decisions and reasoning.

### 3. Plan engagement

Detailed planning of our initiative including business case, programme, resources and measurement of quantitative benefits.

#### Tools and Processes

- Business Case
- Stakeholder Engagement Plan template and supporting guidelines
- Programmes
- Action Plan / log

### 6. Feedback to stakeholders and measure benefits

We close the feedback loop by ensuring that any action taken in response to feedback is then communicated to our stakeholders.

#### Tools and Processes

- Direct communications
- Digital media and website
- FAQs



### Principle 5: We are purposeful in our work with stakeholders

We understand that our stakeholders have wider priorities, beyond those that we share. We also acknowledge that they may have resource constraints. Therefore, we will create a culture that drives us to create purposeful engagement opportunities that are focused on achieving beneficial outcomes.



### Principle 6: We are timely when engaging with stakeholders.

Our stakeholders have specifically told us to improve our planning as timely engagement is important to them. When we engage too late, issues can arise that are not easily fixed, which wastes time and risks a breakdown in trust.

# Section E: Measuring Stakeholder Satisfaction

As part of our annual engagement plan we undertake a stakeholder satisfaction survey each year. The 2019 survey was conducted independently by Social Market Research (SMR) in November 2019, with their findings reported in January 2020. The survey provides invaluable insight into the views of our stakeholders, and this in turn helps us to understand what matters to them most. The findings from the survey have contributed to the development of our 2020 engagement plan and helped steer our overall approach.



We are particularly delighted this year, and very proud to state we have achieved the highest satisfaction score to date: 84%. You will note from the graphs below, that stakeholder satisfaction has improved as our new strategy has embedded.



In the survey we asked our stakeholders to describe SSEN Transmission's personality in one word or phrase. The responses are captured in the word cloud adjacent. Common themes were professional, approachable, helpful, friendly and efficient. This valuable insight has informed our choices for engagement in our new strategy.

**// When asked to describe the personality of SHE Transmission, stakeholders most commonly used the following terms: 'professional'; 'approachable'; 'helpful'; 'efficient'; and, 'friendly'. //**

SMR Annual Stakeholder Survey Report 2020



## Service Improvements for Connections Customers

During 2019 we undertook a review of customer feedback to identify areas for improvement in our service. One of the issues which connections customers has raised was that the time taken to process notices of modifications to connections offers was much longer than timescales for initial connection offers. While initial offers are delivered under licenced timeframes, no such requirement applies to notices of modifications. This can restrict customers in finalising their project costs and programmes and limit their ability to provide evidence for Contracts for Difference. We initiated a review of the process and collaborated with the System Operator to establish a voluntary service level agreement to deliver connection modifications notices in 120 days. This is a vast improvement on previous timeframes which had been over 200 days in a limited number of cases. This improvement has been written into our business process and work instructions and delivery is tracked in weekly connections dashboards at working level and in reports to Directors.

## KPIs

During 2018 we initiated a consultation with stakeholders on the stakeholder KPIs that we set for RIIO-T1. Our stakeholders felt that the KPIs should be updated to better reflect contemporary concerns. We undertook collaborative development of a new set of Stakeholder KPIs and reviewed these with our Stakeholder Advisory Panel before publishing them for formal online consultation in April 2019. Throughout 2019/20 we tracked and reported performance on the new KPIs and were pleased to deliver a score of 87%.

One of our continuous improvement objectives for the year ahead is improving delivery against our lower scoring KPI: Prompt Payments. A new business process was established in early 2020 to improve performance in this area and training on this has been rolled out across the business.

# Section F: Our Team

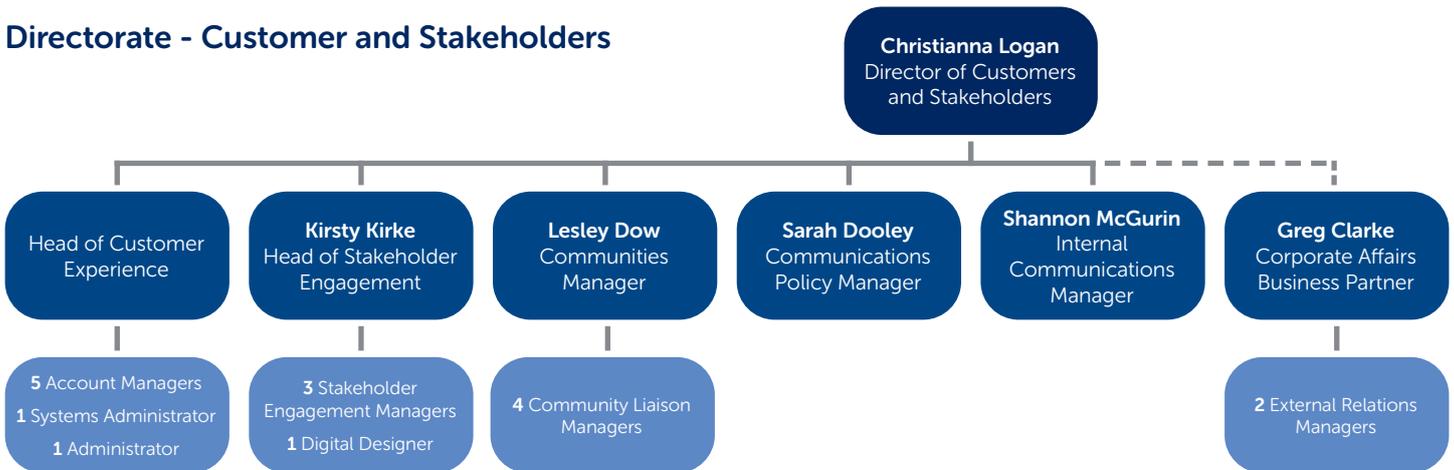
## Embedding the Strategy and Up-skilling Our Team

During summer 2019 we ran mandatory roadshows across the business at which our Managing director highlighted our new Stakeholder Engagement Strategy and its importance. This ensured that all employees were briefed on the new engagement strategy and the ambition to be stakeholder-led. This was reinforced in a presentation and breakout session on the engagement strategy by the Director of Customers and Stakeholders at our Leadership Conference in January 2020. Also in Q1 2020 four Engagement Champions attended an externally accredited stakeholder engagement training course and 80 colleagues heavily involved in engagement participated in a one day stakeholder engagement training session. At the start of 2019, we carried out a review of our operating model with the aim to create a fully collaborative business set up to deliver our strategy and business plans with clear lines of accountability and decision making. This review led to the formation of a new Executive Committee with a dedicated position focused on delivering our commitment to putting the customer and meaningful stakeholder engagement at the centre of what we do.

**“Our strategy sets out how we will build a culture of engagement across our business in three ways: through our commitment to improving the stakeholder experience; by taking significant action to deliver our new approach to engagement; and by working with stakeholders to transition to a low carbon future. This new approach puts stakeholders at the centre of our business strategy and decision making, so that we can align our interests with those of our stakeholders. From our research we know this is crucial to success; and when we are successful, our stakeholders become advocates of our activities and our business – further supporting the delivery of positive outcomes for all stakeholders.”**

Christianna Logan, Director of Customers and Stakeholders

## Directorate - Customer and Stakeholders



The new Directorate brings together the teams that lead our engagement, providing clear ownership of our main stakeholder groups. Dedicated engagement resource has increased from eight to over twenty, within the Directorate and in planning and operational teams.

**Customer Experience** Providing exceptional customer experience, gathering customer insights and advocating for customers.

**Stakeholder Engagement** Project managing and delivering strategic engagement initiatives and supporting teams across the business in delivering high quality operational engagement that meets our principles and objectives.

**Communications Policy** Driving the business and behaviour change required to excel in our strategy and ensure a holistic approach to engagement through provision of processes, tools and training.

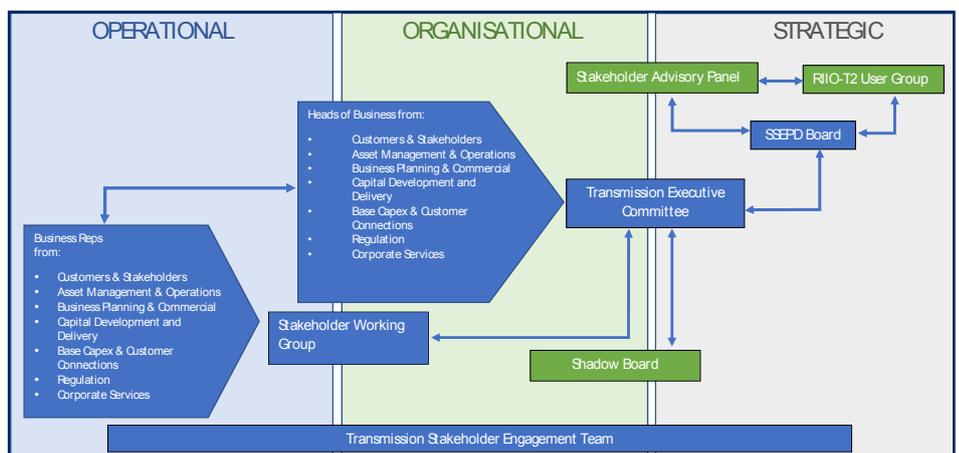
**Communities** Building partnerships to support communities including the vulnerable, giving a voice to those impacted by our infrastructure development and leading our engagement with end consumers.

**Internal communications** Gathering employee insights, including employees in decision making and keeping them informed.

**Corporate Affairs** Maintaining our relationships with Government and political parties, contributing to policy development, promoting advocacy priorities and leading media engagement.

## How Stakeholder Engagement is Governed

Clear governance and rigorous processes have been essential to embedding stakeholder engagement in our business. Our Stakeholder Engagement Strategy and Action Plan ensure we have strong governance in place to deliver for our stakeholders, whilst training and toolkits help our employees to deliver it consistently. Governance is underpinned by senior level involvement in stakeholder engagement decisions, with Christianna Logan, Director of Customers and Stakeholders sitting on the Transmission Executive Committee (TEC). This ensures stakeholder views are captured and acted on at all levels of the organisation. Further governance is provided by our external stakeholder groups such as the Stakeholder Advisory Panel and the RIIO-T2 User group. Internal challenge and diverse input to decisions is provided by the Shadow Board.



# Section G: Table of Engagements

	Method of Engagement	Initiative and Stakeholder Groups	Stakeholder Ask	How we responded
Stakeholder-led Strategy	 Consultation Workshops Bilaterals Training	<b>Embedding stakeholder engagement expertise</b>  Enablers	For our approach to stakeholder engagement to be coordinated and more consistent across the business.	<b>Action</b> Internal review carried out to determine training needs across different roles.  <b>Output</b> Three training options implemented across the business.  <b>Outcome</b> Over 80 employees provided with dedicated Stakeholder Engagement Training. Four employees awarded BCS in Stakeholder Engagement. Targeted training plan developed with expected £150k annual savings in efficiency.
	Consultation Workshops Bilaterals	<b>Effective engagement at a portfolio level of our key consenting agencies</b>  Enablers  Specialist influencers	Stakeholders asked for our relationships to be less transactional and looked to have a better understanding of project pipelines.	<b>Action</b> We carried out a review of our standard processes and implemented improvements to our communication strategy with the local authority The Highland Council (THC).  <b>Output</b> Established new quarterly portfolio meeting for the THC. Ran and facilitated a Workshop with THC planners, SEPA and SNH.  <b>Outcome</b> New principles agreed for preparation of visualisations to THC committees Increased mutual understanding of our activities and THC considerations. Two forums facilitated to bring contractors and statutory consultees together to understand requirements and improve relationships.
	Bilaterals Public speaking Social media	<b>Reaching out to young people and communities</b>  Communities  Members of the public  Specialist influencers	Our stakeholders asked us to extend our reach to young people and communities through practical support and meaningful engagement	<b>Action</b> Increased focus on school presence developing a network of STEM ambassadors to meet local needs. Engaged with Home Energy Scotland to develop partnership with local community group  <b>Output</b> <ul style="list-style-type: none"> <li>• 23 school-specific projects</li> <li>• 196 hours spent in primary or secondary schools</li> <li>• 90 hours spent litter picking</li> <li>• 67.5 hours in Food Banks</li> <li>• 67.5 hours at nature reserves</li> </ul> <b>Outcome</b> <ul style="list-style-type: none"> <li>• Over £5.5k raised for Highland Hospice</li> <li>• £23,939 of community value</li> </ul>
Safe and Secure Network Operation	 Bilaterals Letters Phone calls	<b>Improved landowner access for operations</b>  Enablers  Communities	To improve on communications and notice periods for landowners, when we require access for maintenance or inspection of assets.	<b>Action</b> A full time wayleave officer was brought into Operations who was tasked with creating a dedicated landowner database for wayleave agreements on a circuit by circuit basis.  <b>Output</b> Greater certainty of access to our assets resulting in: <ol style="list-style-type: none"> <li>1. Timely repairs</li> <li>2. Transparent processes and data, resulting in time savings</li> <li>3. Avoidance of unnecessary visits. We now offer an additional notification call 24/48 hours prior to access.</li> </ol> <b>Outcome</b> Annual saving of £90-£120k on staff efficiencies. Land access refusal rate has fallen to under 1% for the Operations Business.
	Bilaterals Workshops Roundtables Consultation Conferences Public Speaking Website Social media	<b>Collaboration on HVDC Black Start savings</b>  Specialist influencers  Enablers  Infrastructure and emergency response  Customers	To lead a review on how to maximise the use of HVDC schemes to support Black Start energisation from a technical perspective.	<b>Action</b> The HVDC Centre technical experts, in collaboration with specialist stakeholders from Scottish Power Electricity Networks, National Grid TO, National Grid ESO and the Scottish Government, carried out an in-depth study which was followed up by a formal consultation.  <b>Output</b> Findings shared with industry and stakeholders via media and industry conferences. Report published on HVDC Centre website in December 2019.  <b>Outcome</b> Reduction in Black Start services cost, system resilience benefit, and time savings when restarting; with a resulting benefit of £970k pa.
	Bilaterals	<b>Constraint Pathfinder</b>  Customers	To have more information available on potential sites for battery connections across the North of Scotland	<b>Action</b> We carried out an analysis of the network in the north of Scotland based upon the locations outlined in the ESO Constraint Pathfinder tender.  <b>Output</b> Analysis results available at pre application stage. Outlined locations to connect, potential timeline for connection, potential costs and the challenge facing connecting storage technologies based on current SQSS standards.  <b>Outcome</b> Reduced requirement for individual project feasibility studies with a potential of up to £150,000 savings to battery storage developers.

	Method of Engagement	Initiative and Stakeholder Groups	Stakeholder Ask	How we responded
Sector Leading Efficiency	Bilaterals Consultation	<b>Delivering savings through HVDC multi contract innovation</b>  Enablers  Customers  Specialist influencers	To reduce cost and increase efficiency in the delivery of the Shetland Island HVDC link.	<b>Action</b> We applied a multi contract approach to HVDC technology.  <b>Output</b> We mitigated the risk of having multiple supplier contracts by increasing our contract management resource for supervision of the contract delivery by 50%.  <b>Outcome</b> The current estimated reduction in CAPEX cost is around £621m-£709m with those savings being passed on to end consumers.
	Bilaterals Consultation Workshops Public Speaking	<b>A new solution for visual amenity</b>  Communities  Enablers  Customers	To find alternative solutions to the current pylon design.	<b>Action</b> Development of New Suite of Transmission Structures (NeSTS).  <b>Output</b> 3D modelling provided as visual aids during the consultation process. Design approved for construction in building the infrastructure of a new onshore windfarm in 2021  <b>Outcome</b> 49.9MW of renewable generation onto the GB network using an innovative design in 2021. By using NeSTS on future projects will bring likely outturn saving of up to £174m.
	Bilaterals Roundtables Phone calls Website Social media	<b>Whole system approach</b>  Enablers  Specialist influencers  Communities  Customers	To maintain support in the Shetland link and demonstrate that conditions presented previously had not changed.	<b>Action</b> Bilateral meetings and roundtable table workshops held with affected stakeholders.  <b>Output</b> Maintained confidence in the original 600MW Needs Case  <b>Outcome</b> SSEN Distribution's whole system solution avoided a minimum of £394m cost of the alternative solution by contributing £251m to the transmission link, saving consumers around £140m. 600MW of renewable generation will be able to connect to the GB electricity network.
Leadership in Sustainability	Bilaterals Roundtables Conferences Consultation Social media Website	<b>Biodiversity net gain</b>  Enablers  Specialist influencers  Communities  Customers  Infrastructure and emergency response	To be pioneering in our Biodiversity Net Gain ambitions	<b>Action</b> BNG Optioneering tool developed and the methodology tested with our stakeholders.  <b>Output</b> Full consultation report conducted and final approach published in December 2019.  <b>Outcome</b> Our leadership position on BNG has been demonstrated with a consumer amenity value from the willingness to pay study of £158.6m. No net loss on newly consented projects from April 2020. We have committed to greater than 105%-109% enhancement in biodiversity post development, measured by our version of the DEFRA biometric 2.0 measurement tool for all projects gaining consent from 2025 onwards. We applied the methodology to two sites and demonstrated a 34% BNG and 47% BNG was achieved.
	Publications Conferences Social media Website	<b>Sharing our expert knowledge on SF6</b>  Enablers  Specialist influencers  Communities  Customers	To become more active in industry change, and to increase emphasis on reducing our supply chain greenhouse gas emissions.	<b>Action</b> We worked with our supply chain and technology suppliers and installed the SF <sub>6</sub> gas free circuit breakers at Dunbeath substation which was a first in the UK.  <b>Output</b> We shared our learning with the industry in a leading publication, on our website and across our digital platforms in 2019 and leading the industry to make changes that will facilitate the transition to net zero emissions.  <b>Outcome</b> 300+ website hits on our SF6 articles Shortlisted at Networks Awards 2020 for Dunbeath Substation Working with ENA to support industry wide adoption
	Bilaterals Roundtables Conferences Consultation Social media Website Publications	<b>Driving and informing adoption of Net Zero Scenario modelling</b>  Enablers  Specialist influencers  Communities  Customers	To include Net Zero scenarios consistently across the GB electricity system modelling	<b>Action</b> We responded to the SO's Call for Evidence with a clear objective of advocating for our stakeholders by ensuring the 2020 FES include at least one scenario consistent with Net Zero targets.  <b>Output</b> Number of engagement events fed into our FES publication and ESO will adopt the SHET principles in 2020  <b>Outcome</b> Our modelling shows that the avoided carbon emissions delivered by adopting Net Zero pathways is 60 million tonnes of CO <sub>2</sub> e between now and 2030. This has a value of around £4.5 billion, reflecting an avoided cost to society based on the BEIS non-traded carbon price forecast.
	Bilaterals Roundtables Conferences Consultation Social media Website	<b>Embodied Carbon of our Infrastructure</b>  Enablers  Specialist influencers  Customers	To calculate the embodied carbon of our cables and pylons	<b>Action</b> Consultations held on Sustainability Strategy and Action Plan  <b>Output</b> Stakeholder input refined our CBA methodology and the model will be applied to all our investment projects to influence strategic decisions  <b>Outcome</b> Total Carbon Costs Savings of around £3.2m Avoided 45,000 tonnes CO <sub>2</sub> impact to GB consumers Direct GVA for load and non-load investments is around £433m Direct GVA for the generation projects around £663m

# Section H: Accreditation and Awards

## ISO55001

Strategic and operational stakeholder engagement in the Asset Management function was audited as part of the ISO55001 Asset Management System Certification surveillance audit carried out in November 2019. The independent external auditor was impressed with our presentation of our Stakeholder Engagement Strategy and how this has been integrated into SSEN Transmission's asset management decision-making processes. This approach was compliant with the requirements of ISO55001. As part of continuous improvement, we intend to further promote our asset management across the business in 2020/21.

## ISO14001

Stakeholder engagement on natural environment priorities is assessed through the international standard for environmental management, ISO14001. Within the standard stakeholder engagement is defined "Interested Parties Analysis", to mirror AA1000. The focus within ISO14001 is on identifying and categorising stakeholders, and understanding and responding to stakeholders' needs. Promoting our natural environment encompasses many areas including (but not limited to) biodiversity, woodland and forestry, visual amenity, oil and noise management. We achieved certification to ISO14001:2015 in February 2020. Objectives for 2020-21 have been set and incorporated into our SSEN Plan for the coming year.

### British Standard for Inclusion

In 2019-20 SSEN has gained the British Standard for Inclusive Service Provision accreditation for the 5th consecutive year. Verification topics include the identification of customer vulnerability, inclusive design of products and services and data sharing with partners.

### Institute of Customer Service (IoCS)

SSEN was awarded the Institute of Customer Service (IoCS) Service Mark Accreditation in December 2018 with a satisfaction score of 89.4% which applies for a period of two years.

### Fair tax

SSE was the first FTSE 100 company to be accredited with the Fair Tax Mark in 2014. SSEN remains the only TO to meet the standards for this accreditation and is committed to share its experience across the industry and beyond.

### The Climate Group/EV100

In July 2019, SSEN was the first UK energy company to join The Climate Group's global EV100 initiative, committing to switch its vehicle fleet to electric by 2030 and provide charge points for employees.

### Living Wage/Living Hours

SSEN has been accredited as a real Living Wage employer since 2013 and last year became a pilot organisation for the Living Hours initiative, which sets standards for fair hours alongside fair pay.

### EQUAL by 30

SSEN pledged its commitment to the Equal by 30 campaign in June 2019 which galvanizes action and opportunities for women in the clean energy sector. It is the only TO to do so.

### Social Mobility Pledge

In 2019-20, SSEN enhanced its commitment to inclusion and diversity by joining the Social Mobility Pledge, committing to accessing and promoting talent from all backgrounds, boosting opportunity and social mobility.

### COVID-19 Pledge

In March 2020, SSEN joined the COVID-19 business pledge which commits organisations to take responsible steps to support employees, publishing clear advice for customers and help communities. For more on our response see Part 2, Page 1.

### Fair for the Future Sustainability

SSEN joined Sustainability First's Fair for the Future Initiative which sets out to establish a 'Sustainable Licence to Operate' for the utilities industry and deliver fairer social and environmental outcomes.

We have been contributing towards collective action on the issues that matter to our customers, stakeholders and communities. The above accreditations demonstrate our ongoing commitment to advocacy for our stakeholders on issues such as fair and equal opportunities for all. We are proud of established associations with the Fair Tax Mark and the Living Wage Foundation. In 2019-20, we focused on improving our approach to inclusion and diversity (Part 2, Initiative 3.5).

## Award winning outcomes

Celebrating our achievements through awards helps raise awareness of our sector-leading best practice across our industry and beyond, reinforcing the benefits of engagement. References are provided for the summary of initiatives in Part 2.

### Network Magazine Awards 2020 – Finalists

Stakeholder Engagement Initiative of the Year – RIIO-T2 consultation (initiative 1.1)

The Game Changer Award–Networks - Biodiversity Site Optioneering

Toolkit Project (initiative 5.2) and Striving for Net Zero Project (initiative 5.1)

Engineering Project of the Year - Electricity - Fort Augustus-Fort William line upgrade

### Royal Town Planning Institute Awards for Planning Excellence 2020 - Finalists

Excellence in Planning for the Natural Environment and In-House

Planning Team of the Year - Groundbreaking work on biodiversity improvements in Caithness and Moray (initiative 5.2) and our Planning and Environmental team working towards a network for net zero in northern Scotland, including efforts to unlock the Islands vast renewables potential (initiatives 2.3 & 5.3).

### International Green Apple Awards 2019 - Two Bronze Awards

Partnering with wildlife experts and the Bumblebee Trust on substation planting to aid the Great Yellow Bumblebee; and for mitigating the impact of our construction activity on the Osprey population ahead of the planned works to Alyth substation, in line with our commitment to delivering biodiversity net gain on major capital investment projects (initiative 5.2).

### The Green Energy Awards 2019 - Best Practice Award

Recognised for "outstanding sustainability credentials, demonstrating they have delivered beyond good practice to make long-term enhancements to the environment and for society. Specifically, their innovative approach to delivering Biodiversity Net Gain on new projects and a first of its kind biodiversity site optioneering toolkit." (initiative 5.2).

