

Stakeholder Engagement Forward Plan 2020/21

February 2021

About us

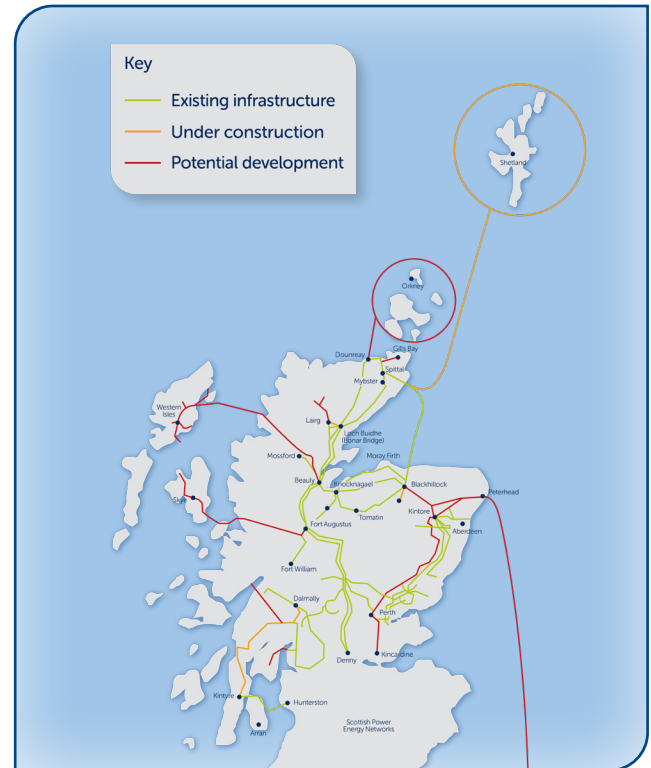
We are Scottish Hydro Electric Transmission (SHE Transmission), part of the SSE Group, responsible for the electricity transmission network in the north of Scotland.

We operate under the name of Scottish and Southern Electricity Networks Transmission (SSEN Transmission), together with our sister companies, Scottish Hydro Electric Power Distribution (SHEPD) and Southern Electric Power Distribution (SEPD), who operate the lower voltage distribution networks in the north of Scotland and central southern England.

As the Transmission Owner (TO) we maintain and invest in the high voltage 132kV, 220kV, 275kV and 400kV electricity transmission network in the north of Scotland.

Our network consists of underground and subsea cables, overhead lines on wooden poles and steel towers, and electricity substations, extending over a quarter of the UK's land mass crossing some of its most challenging terrain.

We power our 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

In early 2020, we reviewed the feedback gathered from stakeholders during 2019 both through the annual Stakeholder Satisfaction Survey and through direct engagements. Stakeholders highlighted areas for us to engage on, implement improvements, or where they wanted us to play a more active role in industry change. We used these insights to form our forward plan for engagement in 2020/21.

With the arrival of COVID-19 and the impacts it has had, we understood that stakeholder priorities may have changed. We wanted to hear their views on whether any of the proposed engagement initiatives should be changed in light of the social and economic uncertainty that the pandemic has created.

We published a Draft Forward Plan which included a summary of our proposed stakeholder engagement initiatives for 2020/21. It also included examples of how we are adapting our engagement to allow the initiatives to continue within the restrictions that the pandemic has created. It was published as part of a four-week consultation ending 4th September 2020, followed by a virtual stakeholder engagement workshop.

We have collated all stakeholder feedback and have used this to create this Stakeholder Engagement Forward Plan for 2020/21.

Our Forward Plan 2020/21

The COVID-19 pandemic continues to have a profound impact on all aspects of life as we know it, including how we engage with our stakeholders. Within that challenge, we want to make sure that the quality and scope of engagement with our stakeholders is not adversely impacted. Our investment plans which will put us on a pathway to Net Zero will be a critical element of the Green Recovery and we want to ensure that stakeholders can influence this and other aspects of our work in the year ahead.

Earlier in the year we reviewed the feedback we gathered from stakeholders during 2019 both through our annual Stakeholder Satisfaction Survey and through direct engagements. From this feedback we identified the common themes that stakeholders were encouraging us to engage on and areas where they wanted us to implement improvements or play a more active role in industry change. These became suggested engagement initiatives, contained within a Draft Forward Plan, for the year ahead, with each of them targeting benefits for stakeholders including our generation customers, energy consumers and wider society. We have since consulted our stakeholders on our Draft Forward Plan and, using their feedback, these initiatives have been refined within this Forward Plan.

We have identified four themes for the year ahead:



Promoting Best Practice for Positive Change



Net zero



Supporting consumers



Operations and Land Access

We will continue to evolve our communication and consultation channels based on feedback from all our stakeholders.

Christianna Logan

Director of Customers and Stakeholders



Our Response to COVID-19

The outbreak of the COVID-19 pandemic continues to have an unprecedented impact on everyday life and our thoughts are with all those affected by the virus and all front-line critical workers for their continued heroism and dedication. 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 to help communities. As the national response to the pandemic continues, our plans for 2020/21 incorporate engagement to promote the green economic recovery from the pandemic. This means we must work with our stakeholders to secure the critical investments required to deliver net zero, in turn creating jobs and stimulating the economy.

Our business has responded extremely well to the unprecedented challenges of COVID-19, thanks to an inherent culture of innovation and resilience. Throughout this pandemic our staff have worked hard to support the safe and reliable supply of electricity, depended on by the people and organisations leading on the COVID-19 response. We reacted very rapidly, closing our non-essential workplaces one week ahead of the national lockdown. Our well-developed contingency plans ensure our control room is not at risk from the impacts of the pandemic, enabling us to keep the lights on. Essential operational staff were located at two separate sites to mitigate the risk of infection. We established a cross organisation working group to lead our response and ensure our staff are kept fully informed and supported.

On our critical infrastructure projects, we spoke to elected members, community liaison groups and others to establish a mutually agreeable framework for maintaining development and construction. We collaborated with contractors, supply chain and unions to agree a safe return to all sites. Overnight, 450 staff switched to home working. With excellent IT support and an adaptable approach, we successfully moved our stakeholder engagement online.

For our development and construction activities, we developed an online consultation tool which enables local communities to experience full exhibitions from home on a computer, tablet or mobile device.

We are mindful that stakeholders may have a range of backgrounds, knowledge and digital accessibility. We are offering a range of ways for different audiences to speak to us about our plans, including sending out hard copies of booklets about projects, ensuring our names, phone numbers and email addresses are readily available, and publishing technical reports on our website. Following recent feedback from stakeholders, we are also offering site visits where available, and one to one discussion sessions, either digitally or over the phone, with subject matter experts.

Stakeholders have given us clear feedback that they support a mix of engagement methods in future, both virtual and face to face. Both are seen to offer value, but stakeholders did not want one to replace the other post-COVID-19 and both options should be offered.

We will continue to evolve our communication and consultation channels based on feedback to ensure stakeholders can influence the direction of our business.

“ Overnight, 450 staff switched to home working. With excellent IT support and an adaptable approach, we successfully moved our stakeholder engagement online. ”

Our Stakeholder Engagement Strategy

Having consulted our stakeholders on our new co-created Stakeholder Engagement Strategy in August 2019, we published the updated version with your input incorporated. We really benefitted from gathering stakeholder views and insights to the activities we proposed.

The Strategy and Action Plan are currently being implemented, and good progress is being made across the business.

The organisational and governance changes we proposed are now fully embedded, and our stakeholder engagement activities are led by senior members of the leadership team. We have delivered stakeholder engagement training for more than 80 employees and have developed a toolkit to support them in delivering structured consistent engagement.

This year we undertook the AA1000 Health Check for the first time, receiving a "Mature" rating. We also received an improved score in our annual Stakeholder Engagement Audit, achieving an "Exceed" result. We hope that this will give our stakeholders confidence in the quality of our stakeholder engagement.

We have developed engagement implementation plans for each of our engagement initiatives, and this is helping us plan and engage much earlier with stakeholders. This means we have enabled greater opportunities for stakeholders to influence and inform our direction.



Our stakeholder led approach

Our stakeholder engagement process is based on a six-step model for enabling our stakeholders to influence the direction of our activities, by gathering and acting on stakeholder feedback.

1. Purpose, scope and influence

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

2. Identify and categorise

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

3. Plan the engagement with our stakeholders

Detailed planning of the initiative including; business case, programme, resource planning, and measurement of benefits.

4. Carry out the engagement

Our engagement lead will implement the initiative in line with our 6 principles. Business teams are supported by the Stakeholder Engagement Team, who provide leadership and coaching to ensure consistent quality in delivery.

5. Review feedback and act

We gather and analyse all responses and feedback received from stakeholders. We identify, and act on, any learning, strategic decisions to be reviewed or improvement action to be taken.

6. Close the feedback loop

We provide an update to our stakeholders, informing them of any action or decisions we have taken as a result of their input. We ensure they have easy access to any outputs, materials and ongoing information.

Promoting best practice for positive change

This coming year, as we continue to deliver sector leading performance in areas including project delivery, efficiency, sustainability and engagement, we recognise that we have the ability to influence others within and outside our sector to provide even more benefit to customers and society.

Stakeholders encouraged us to do more to promote our positive progress on corporate social responsibility issues and not just technical and environmental best practice.

We will continue to share our sector leading and progressive work, to promote the adoption of best practice within our sector and others. We will work with our industry partners and third-party organisations to share knowledge and best practice. We will continue to build on our external accreditations to provide our stakeholders with confidence in our standards and maturity of stakeholder engagement.

For example, we have published our Supply Chain Code requirements in our Sustainability Action Plan to assist other Transmission Owner's in setting Science Based Targets, including how our supply chain is helping us achieve our one third emissions reduction target, supporting the transition to net zero emissions. To promote best practice adoption of Biodiversity Net Gain on our major projects, we applied for numerous awards which would raise awareness across the industry and other sectors.

With our specialist supplier partners, we have co-created a new strategy, standards and specifications for avoiding the use of SF₆ gas on our network, which will help reduce greenhouse gas emissions. This year we will continue to engage with our SF₆ partners, the Electricity Networks Association and Scottish Power Electricity Networks to submit a proposal to the Health and Safety Executive to seek a derogation to the Pressure System Safety Regulations to facilitate use of SF₆ free switchgear. This is an example of where we are taking action to influence industry change which will support efforts to tackle climate change and deliver net zero emissions.



Our stakeholder led approach

In May 2019, the Committee on Climate Change recommended a new emissions target for the UK: net zero greenhouse gases by 2050. In Scotland, the Committee recommended a net zero date of 2045, reflecting Scotland's greater relative capacity to remove emissions. The Committee's recommendation was accepted and put into legislation by both the UK and Scottish Governments.

In 2010 we worked with stakeholders to define our strategic objective: to enable the transition to the low carbon economy. In order to provide context to this, we have undertaken further consultation to develop strategic themes and goals. In 2018 we published our Business Plan which sets out steps to achieving net zero, including renewable energy growth plans and plans to decarbonise our own carbon footprint.

2.1 Net Zero Advocacy

Having committed to delivering a pathway to net zero through the connection of renewable electricity on our network and in reducing our own carbon emissions through the establishment of our Science Based Target, we see part of our role as being an advocate for net zero ambition. We will advocate for policies, targets and industry practices that support net zero within our regulatory framework and in policy. Our engagement on net zero will include seeking support from stakeholders for these aims, leading through partnerships and engagement with our supply chain, and promoting Net Zero best practice within our sector and on larger platforms. General public awareness of net zero is low, so we will ensure that our net zero messaging also targets consumers and future consumers, helping to increase awareness of net zero in society.

2.2 Whole system future energy scenarios

In preparation of our RIIO-T2 business plan submission and now an ongoing exercise to help us plan our network, we created the North of Scotland Future Energy Scenarios which were used to provide a range of possible futures in terms of generation and demand, and the subsequent impact that these futures would have on the level of investment required on our network. We utilised a range of engagement methods to gather information from stakeholders. In the final publication, we outlined how we used or did not use stakeholder feedback and the reasons why.

Our scenarios were created with the view of limiting temperature rise to 1.5 degrees Celsius. Since the publication of the Committee on Climate Change Net Zero paper in May 2019, meeting net zero is at the forefront of tackling the Climate Emergency.

We in turn need to refresh our North of Scotland Future Energy Scenarios to consider how our network could develop in different net zero scenarios. This year we will be developing an updated set of scenarios, designed to be used by the business to inform strategic decision making and investments. We will develop this work by engaging with a targeted group of external stakeholders via bilaterals to gain their input on scenarios and the assumptions being made, building on our long-term relationships and benefitting from co-creation. We are working with other network companies, sharing data and analysis including with National Grid Electricity System Operator. Full scale engagement is likely to begin in early 2021 and continue into the next financial year.

Supporting customers and consumers

During 2019 we engaged actively with our customers through workshops and consultations to understand what new products and services they were looking for. The result of this engagement was our Commercial and Connections policy which committed to the delivery of new services, improved access to information and increased customer advocacy. We also set out plans to increase our consumer engagement through partnerships and improved research.

3.1 Review of Customer Charging and Services

New services

During 2020 we are focused on collaboratively developing a new "Renew" service for connected customers whose connection needs are changing. We are also continuing to work with our sector peers to develop new queue management solutions.

Accessible information

In response to specific customer requests we will be making our quarterly reports available online and undertaking a series of focus groups with customers to collaborate on the design of additional online resources to provide accessible information on connections charging.

3.2 TNUoS and Renewable Subsidies (CfD)

Customer Advocacy – Use of System Charges and Contracts for Difference

Customers also asked us to increase our advocacy on issues affecting them. The two main issues that stakeholders identified for 2020 were:

1. Transmission Network Use of System charges and proposed changes to network charging, and
2. UK Government review of Contracts for Difference (CfD) subsidy regime

We have also heard these issues raised repeatedly by stakeholders at industry events and in meetings with Government. This year we will engage directly with customers and other interested stakeholders to understand their specific concerns and to reflect these in our engagement with Government and Ofgem on these topics, ensuring that our responses to consultations are stakeholder-led.

3.3 Application fee review

A review of connection application costs has identified a need to review application fees. Stakeholders will be engaged to ensure that these changes are delivered in a way that fairly meets the needs of customers and the GB consumer.

During this year we will undertake a detailed review of costs for delivering connection applications to ensure that fixed charges are in line with our costs for processing applications. We will also undertake a series of workshops with other Transmission Owners and the Electricity System Operator to review the current connections charging arrangements and undertake any necessary updates to ensure best outcomes for customers and consumers. This includes consideration of the suitability of a new Minor Modification Application option.

3.4 Consumer Engagement

Our stakeholders and our regulator have asked us to increase our engagement with end consumers. We have two channels for reaching this stakeholder group;

Through collaboration with third parties

We already understand the benefits of collaborating with consumer representative bodies; a greater reach and advocacy from our partners. We have commenced discussions with relevant organisations with some joint initiatives already starting to take shape.

This year we intend to discuss formalising our relationships with these third parties, setting up structured partnerships for delivering mutually beneficial outcomes. We intend to use these opportunities to gain valuable insight to the needs of end consumers, and understand their priorities to inform our engagement with them. Working with bodies such as Citizens Advice Scotland, we can identify the key issues impacting end consumers right now, and develop an Action Plan to engage on these issues.

This partnership approach is a long-term commitment, and we are currently developing our approach to establishing formalised alliances including Terms of Reference.

Direct engagement with the GB end consumer

We also intend on rolling out vulnerability training to ensure our staff are fully aware of the issues faced by vulnerable consumers, and the importance of initiatives such as the Priority Services Register. We are also adding guidelines for engaging with end consumers in our Stakeholder Engagement Plans.

Consumer Research

The majority of the consumer research that we have used in the past has been third party research on topics relevant to our work. We have undertaken our own research on consumer attitude and willingness to pay for different network services and standards. We now want to explore new types of consumer research that will provide more insightful results.

Operations and Land Access

4.1 Wildfires Partnership

We intend to work with stakeholders to establish a wildfires partnership this year. Through engagement with landowners, local authorities, other TO's, agricultural bodies and wildfires experts we will agree a range of mutually beneficial objectives. The partnership will collaborate to realise benefits for safety, security of supply, ecology and the environment. There are further outcomes which will result from the partnership including; improved stakeholder awareness of the risks of wildfires and impact on the environment; greater communication and access to data sets for stakeholders; partner collaboration on future data and information.

The partnership will commence with a collaboration on new reporting approach, and accompanying awareness raising campaign.

4.2 Development Engagement

In response to stakeholders' ask for greater clarity of communication on planning applications, and a business need to reduce the uncertainty around planning applications, we are currently designing more structured interactions with planning authorities. This engagement relates to instances where a development has been proposed near one of our assets, and a planning application has been submitted. The initiative will include awareness raising with housing developers and other constructors. We are preparing an external policy document and reviewing the visibility of our policy with third party external stakeholders such as landowners and developers.

Relating to organisations seeking to develop land close to our existing assets, stakeholders encouraged us to seek statutory consultee status or an equivalent given our role as an owner of critical national infrastructure. The stakeholder team will work with Operations, Legal and Corporate Affairs to explore options on this with the relevant authorities.

Capital Project Engagement

In 2020/21, we will be undertaking a significant programme of engagement as part of our portfolio of major capital projects, from those in development to those in construction. The scale of work involved during the development process will require extensive consultation and engagement with several of our key stakeholder groups, from our generation customers and statutory stakeholders, to communities and their elected members.

Shetland Transmission Link

Ofgem has approved the transmission link, with everything now in place for the start of main construction in late August 2020.

On this basis, we are developing an ongoing and coordinated programme of communications and engagement as the project progresses towards, and to continue throughout the delivery and construction process. We are committed to working with our local stakeholders to manage any issues/concerns and consider recommendations and feedback to help create the conditions for the successful delivery of the transmission link, and all associated infrastructure. We also intend to coordinate engagement where appropriate with Viking Energy Wind Farm (VEWF), the main driver for the transmission link which will be in construction at the same time as the transmission infrastructure. This will result in a more efficient, coherent and comprehensive experience for our Shetland stakeholders.

VEWF has established a local Construction Liaison Group in line with its planning consent and we are keen to become members of this existing group. This will provide a coordinated platform to update the community and island stakeholders on all project related activity.

We recognise that there may be concerns during the current COVID-19 pandemic and we will ensure that all works on all our projects are delivered in line with the latest Government and industry guidance. We will also promote the adoption of a common approach in the COVID-19 mitigation measures across all the project teams and the local communities.

Skye Reinforcement: Optioneering and consultation

The Skye Reinforcement project will be one of the most significant energy investments in the West Highlands since power was first brought to the area in the 1950's. The current line was constructed in three distinct sections between 1956 and 1989 and is now reaching the end of its operational life.

Consultations on the proposal were originally planned to take place in March this year, and unfortunately cancelled due to COVID-19. In response to this we developed a bespoke online consultation tool, designed to look and feel like a real consultation in a community hall including: exhibition boards; interactive videos and the opportunity to share views on the proposals. In early June the local community were given the opportunity to experience the full Skye Reinforcement project exhibition from home via a link on our website.

Engaging at this early stage of the project, we have been able to present the preferred 1km wide route corridor proposed for the replacement line. Feedback on this proposal, particularly on key sections of the line which have been highlighted during the consultation sessions, will help inform a more detailed route and alignment study. This study will be carried out alongside ongoing engagement with our stakeholders over the next 12 months. Formal public consultation on the preferred alignment selection will be held in early 2021.

Other Projects

East Coast HVDC

The Eastern HVDC Link is currently still in the early development stages. The project has received a 'proceed' signal for the last years, and as such we will be aiming to submit a formal planning application in Summer 2021. This year, we will engage with on-shore stakeholders regarding the site selection of our onshore infrastructure and with our offshore stakeholders on the proposed cable routes.

Eastern and North Eastern Reinforcements

There are currently 10 major proposed reinforcements across the east and north east coasts of Scotland. These are a mixture of overhead line upgrades, substation extensions and the construction of new substations across the region. We currently have major works in construction in Rothienorman and New Deer, with works due to begin in Autumn 2020 at Peterhead. We also anticipate taking other proposals through the planning determination process. Further information on our works across the region can be found at www.ssen-transmission.co.uk/media/3289/north-east-400kv-eastern-reinforcements.pdf

North Argyll

Following public consultation, and additional feasibility studies in response to stakeholder feedback, our System Planning team have prepared detailed routing options for sharing through further consultation. This early engagement approach allows us to consider multiple options and to work with stakeholders to find an option that will be mutually acceptable.

Offshore Wind

We will engage with other Transmission Owners, the Electricity System Operator and developers to look at strategic options to near term connections issues in the offshore wind industry, and the interaction of this with wider industry reviews.

Orkney and the Western Isles

We continue to work with our customers and stakeholders to take forward transmission links to Orkney and the Western Isles, helping these island groups unlock their renewables potential.

In September 2019, Ofgem approved our Needs Case for a 220kV (220MW) Orkney link, subject to Orkney renewable developers meeting a number of conditions no later than December 2021. Project development work is currently paused whilst we wait for developers to meet Ofgem's conditionality.

For the Western Isles, there is currently insufficient generation commitment to unlock the regulatory investment required to connect the islands. Development work on this project has also been placed on hold whilst we wait for evidence sufficient generation is likely to be ready to commit.

For both links, we continue to engage with our customers and stakeholders to help unlock the regulatory investment required to connect the island groups. This includes advocating for changes to the UK Government's CfD subsidy regime for remote island wind, which can help our island renewable customers secure the policy support required to demonstrate their financial commitment to their projects.



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