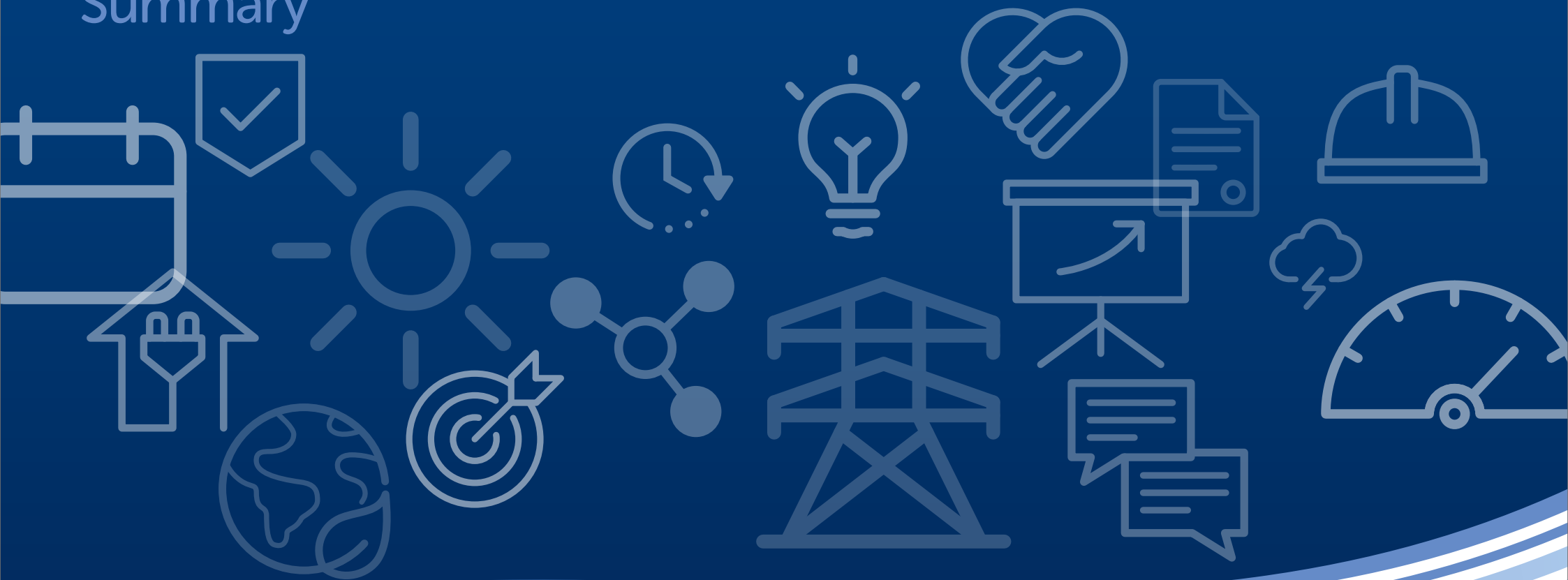


# Annual Business Plan Commitment Report 2018/19

## Summary



# Managing Director's Message

As a company that delivers an essential public service, it is important that our customers and stakeholders have visibility of our performance and delivery targets and can track our progress against them. This level of transparency is vital to maintaining public trust.

**This report summarises the performance of our two electricity distribution networks, Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc, against the delivery of our RIIO-ED1 Business Plan.**

As you will learn from this annual report, we have made significant progress in 2018/19 towards achieving the commitments we set ourselves at the start of the RIIO-ED1 regulatory price control period and, while there is still much work to do, we remain on track for delivery by the end of the RIIO-ED1 period in 2023.

On the fundamental issue of safety, we delivered our lowest TRIR (Total Recordable Injury Rate) on record in 2018/19. This has not made us complacent, however, and through our licence – **If it's not safe, we don't do it** – we continue to progress internal and external initiatives to educate, inform and further embed a positive safety culture.

Providing a safe and secure supply of electricity to the homes and businesses we serve requires a continuous programme of investment in our network. During 2018/19, focused investment has delivered progress towards our reliability and availability commitments.

Our connections team has also delivered a strong performance during the year, exceeding performance targets in both the time taken to progress customer

quotations and deliver connections, alongside significant improvements in the service to customers. This included introducing a dedicated Customer Account Manager process to improve communication and accountability.

An improvement in our service was recognised by achieving two service industry standards, including the ServiceMark from the Institute of Customer Service, a national measure of customer satisfaction across 13 key sectors and BS18477:2010, the British Standard for Inclusive Service Provision.

We've also made progress in the way we meet our social obligations, improving and broadening the service we deliver for vulnerable customers during supply interruptions and taking further steps to deliver a truly inclusive service provision.

Climate change is an issue that is, rightly, now front and centre of our thinking. Earlier this year, I was delighted to see the UK and Scottish governments commit to ambitious net-zero emission targets, that will require all parts of the energy industry to step up to the challenge and do their part. To this end, our environmental commitments, which are centred around reducing and limiting our contribution to emissions, will be an area of increasing focus in the years ahead. Looking to the future, it's clear the energy,

transport and heat sectors are in the midst of a fundamental change, in which we will play a key role, helping to facilitate this change.

Managing this transition to a smart, flexible network is important for many reasons, but we must ensure this shift takes place alongside sustained performance improvements in the areas set out in this report and improved efficiency to ensure we continue to deliver a safe and reliable network and value for money for consumers.

By maintaining a strong focus on the delivery of our business plan commitments, we can enable the network of the future, while continuing to deliver for our customers today. I look forward to our teams accelerating this progress in the remainder of RIIO-ED1 and beyond.

**Colin Nicol**  
**Managing Director**  
**SSEN**



# Performance Snapshot 2018/19

## Scottish Hydro Electric Power Distribution (SHEPD)

### Our Network



**778,304 customers**

served across our regions

**49,356.7km**

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

### Customer Satisfaction



**9.1/10**

Overall Broad Measure of Customer Satisfaction Score

**Zero Penalties**

Penalties Incurred under the Incentive of Connections Engagement (ICE) Scheme

**3.95/10**

Stakeholder Engagement and Consumer Vulnerabilities Score

### Environmental Impact



**26,787.82 (tCO<sub>2</sub>e)**

Total Business Carbon Footprint (excl. losses)

### Finance



**£165m**

Total 2018/19 Expenditure  
Expenditure was 102% of our allowance

**£108.90**

Unrestricted Domestic Tariff Charge  
Excl. domestic customer rebate

### Reliability



Average number of interruptions per 100 customers per year

**70.00**

Customer Interruptions

including exceptional events e.g. extreme weather

**65.06**

Customer Interruptions

excluding exceptional events

Average number of minutes a customer is off supply

**60.00 mins**

Customer Minutes Lost

including exceptional events e.g. extreme weather

**49.09 mins**

Customer Minutes Lost

excluding exceptional events

### Connections



Time to quote a connection offer

**2.86 days**

Single Connections

average no. of working days to provide an offer

**5.34 days**

2-4 Connections

average no. of working days to provide an offer

Time to connect following acceptance of a connection offer

**22.10 days**

Single Connections

average no. of working days following acceptance

**27.80 days**

Single Connections

average no. of working days following acceptance

### Innovation



Currently subsea cable condition is assessed by routine inspection by divers or Remotely Operated Vehicles (ROVs). It can be challenging to identify cable movement, damage or fault locations without these inspections, which prove both costly and technically challenging. In addition, existing fault detection techniques are used after a fault occurs within an accuracy range of approximately 150m on a 15km cable.

In August 2018, SSEN embarked on Project SUBsense, utilising £1.5m of the Network Innovation Allowance. This three-year project aims to install a real time monitoring system that employs Distributed Acoustic Sensing (DAS). This means real-time monitoring and alerts are issued to our control room if there is potential cable movement, fault or damage. A further benefit is that the location of an event can be accurately identified to within +/- 10m using the DAS system. When an alert is issued, corrective actions can be taken, ranging from mobilising an inspection vessel, to completing repairs, or educating other marine users of activity near cables.

If you want to find out more about Project SUBsense, head to [subsense.co.uk](https://www.subsense.co.uk)



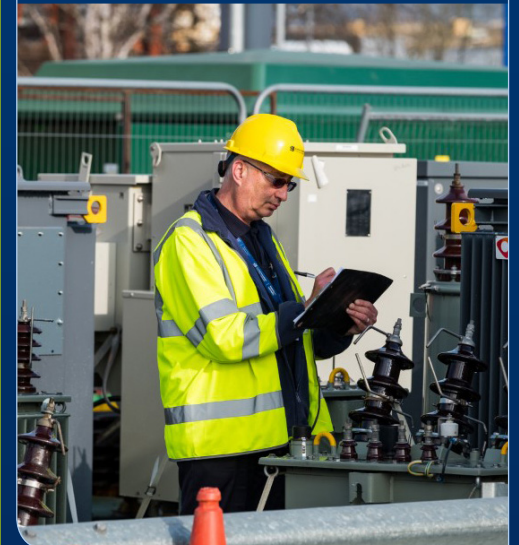
### Safety



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

Our safety licence is embedded across our business and our priority is to firmly focus on keeping our people, our customers and our communities safe.

This year, we've worked closely with third parties and partners, including first responders, like the Scottish Fire and Rescue Service, to extend and amplify the reach of our safety messaging. We continue to work hard to reach agricultural communities and contractors in the north of Scotland who are working in close proximity to our power lines and electrical equipment, by delivering vital safety messages to ensure everyone goes home safely at the end of every working day.



# Performance Snapshot 2018/19

## Southern Electric Power Distribution (SEPD)

### Our Network



**3,067,988 customers**

served across our regions

**77,710km**

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

### Customer Satisfaction



**8.5/10**

Overall Broad Measure of Customer Satisfaction Score

**Zero Penalties**

Penalties Incurred under the Incentive of Connections Engagement (ICE) Scheme

**3.95/10**

Stakeholder Engagement and Consumer Vulnerabilities Score

### Environmental Impact



**29,870.04 (tCO<sub>2</sub>e)**

Total Business Carbon Footprint (excl. losses)

### Finance



**£304.8m**

Total 2018/19 Expenditure  
Expenditure was 100.3% of our allowance

**£65.40**

Unrestricted Domestic Tariff Charge  
Excl. domestic customer rebate

### Reliability



Average number of interruptions per 100 customers per year

**51.48**

Customer Interruptions

including exceptional events e.g. extreme weather

**50.64**

Customer Interruptions

excluding exceptional events

Average number of minutes a customer is off supply

**46.26 mins**

Customer Minutes Lost

including exceptional events e.g. extreme weather

**46.26 mins**

Customer Minutes Lost

excluding exceptional events

### Connections



Time to quote a connection offer

**3.11 days**

Single Connections

average no. of working days to provide an offer

**8.65 days**

2-4 Connections

average no. of working days to provide an offer

Time to connect following acceptance of a connection offer

**31.84 days**

Single Connections

average no. of working days following acceptance

**40.29 days**

Single Connections

average no. of working days following acceptance

### Innovation



In 2018/19, SEPD (and SHEPD) took the industry-leading decision to offer flexible connection options to generation customers as business as usual.

Flexible connections allow customers to connect to the distribution network quicker and often at lower cost. They have been rolled out following feedback from our Stakeholder Advisory Panel, demonstrating our commitment to respond to the needs of customers.

Key learning from innovation projects, such as Solent Achieving Value from Efficiency (SAVE), has also provided valuable learning regarding how customers respond to energy efficiency measures and how this can help us manage peak demand on our network and improve efficiency of investment decisions. This will provide an opportunity to deliver wider benefits and savings for the households, businesses and the communities we serve.

Find out more about the SAVE project:  
[save-project.co.uk](http://save-project.co.uk)



### Reliability and Safety



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

Our safety licence is embedded across our business and our priority is to firmly focus on keeping our people, our customers and our communities safe.

Safety around our critical infrastructure remains a key focus. This year, representatives from SSEN have been going into schools to promote 'Power Pack Pals', our interactive learning programme that helps pupils better understand safety around the network.

This, alongside our partnership with the National Farmers Union on agricultural safety, is helping SSEN promote our safety licence 'if it's not safe we don't do it' and the emergency 105 number to a wider audience.



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