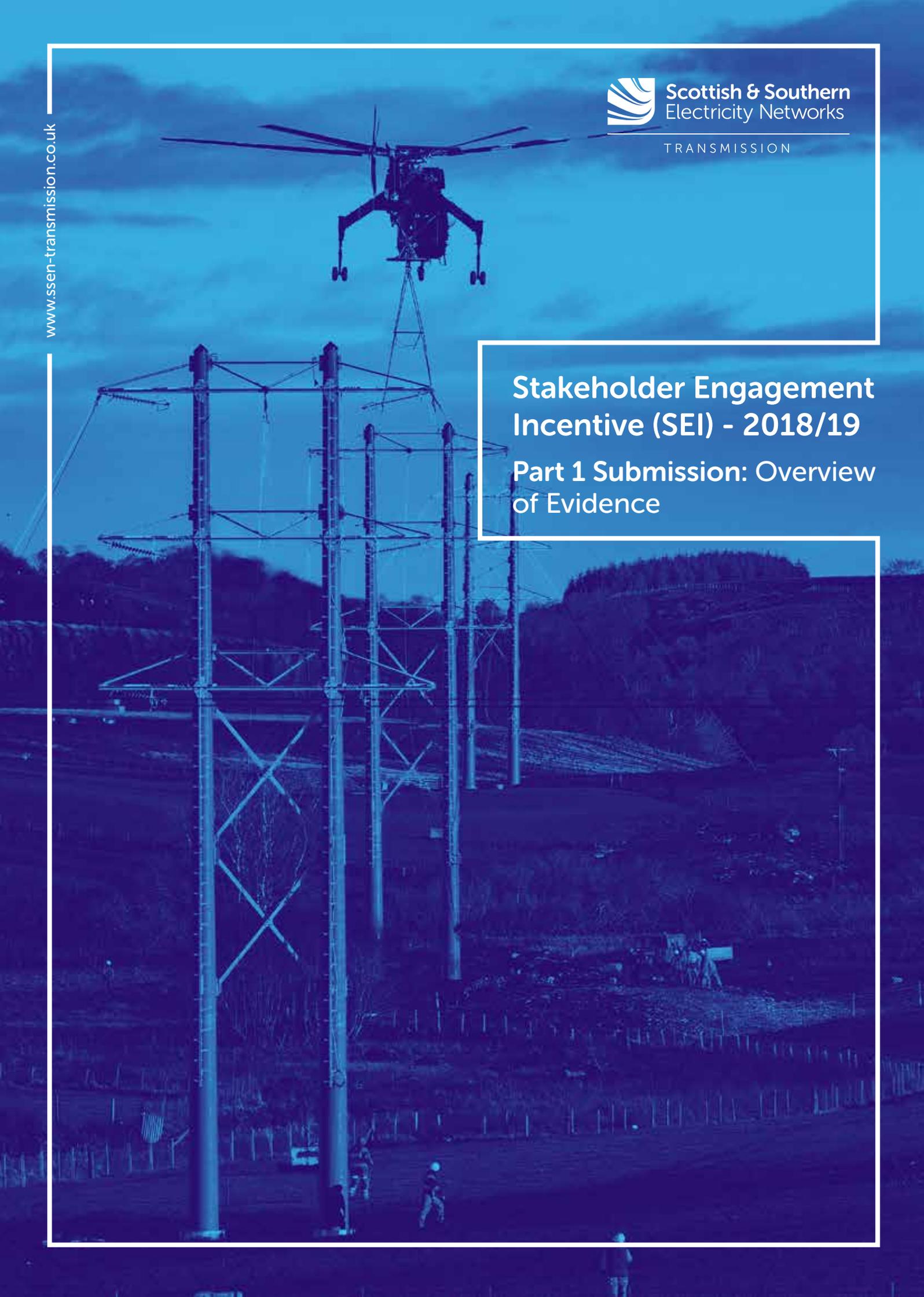


# Stakeholder Engagement Incentive (SEI) - 2018/19

## Part 1 Submission: Overview of Evidence



# About us

This is Part 1 of our 2018/19 Stakeholder Engagement Incentive submission.

The Part 1 submission is aimed at demonstrating that the network company has an engagement strategy in place that satisfies Ofgem’s minimum requirements.

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## Who we are

We own the transmission network in the North of Scotland. Our operating region covers a quarter of UK landmass.

We are responsible for the planning, design, construction and maintenance of a network which currently comprises 138 Grid Substations, 5100km of circuits and 11390 pylons and structures.



2018/19 has been a transitional year for our engagement activities. We have reviewed our engagement practices, processes and procedures and developed a new engagement strategy that puts tailored, purposeful and continuous engagement at its centre.



We also established the role of Director of Customers and Stakeholders to enhance the customer and stakeholder focus on our Transmission Executive Committee. This new Director will be supported by a team of engagement practitioners experienced in customer service, community liaison and stakeholder management.

During the year we have carried out a huge volume of engagement on infrastructure projects across our network. While undertaking these activities we have sought to embed and strengthen engagement best practice within the business ahead of rolling out our new engagement strategy in 2019/20.

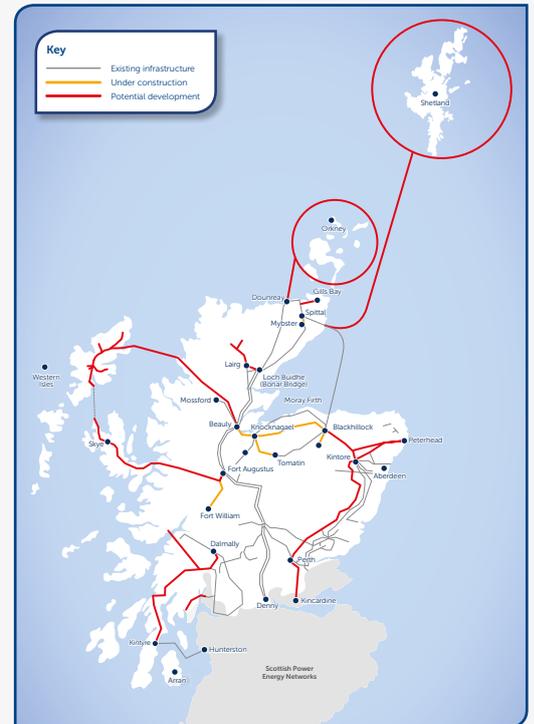
We have also spent a great deal of time talking, listening and reflecting on our customers and stakeholders’ priorities and ambitions for the future so we can include them appropriately in our RIIO-T2 business plans.

It has been a busy year and I expect 2019/20 will be same as we implement our new engagement strategy and continue with RIIO-T2 related activities.

One thing is certain, customers and stakeholders will remain firmly at the centre of everything we do.

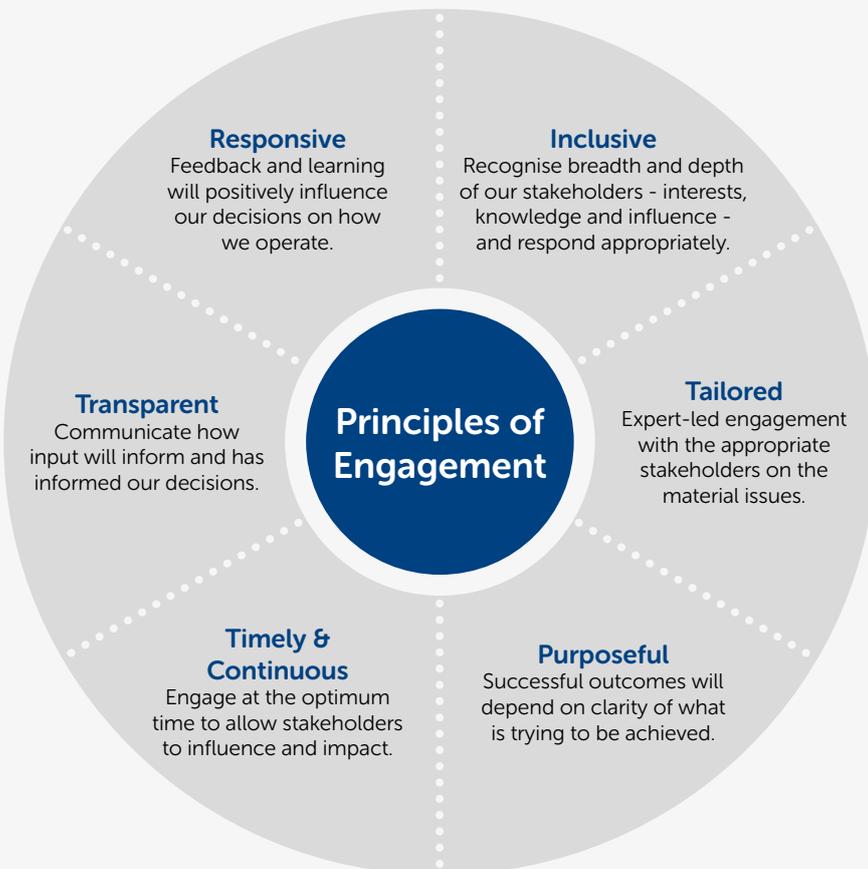
**Rob McDonald**  
Managing Director of Transmission

The north of Scotland electricity network, January 2019



# Stakeholder Engagement Strategy

For 2018/19 we have maintained our current six-point approach to stakeholder engagement - **Inclusive, Tailored, Purposeful, Timely & Continuous, Transparent, Responsive** – which seeks to follow best practice in accordance with the AccountAbility AA1000 Stakeholder Engagement Standard.



## Stakeholders

Identify, Classify, Engage, Involved

Every day, across all activities (strategic, organisational and operational) at every level of our business, we engage with people, our stakeholders, who have an interest or are affected by what we do and how we do it.

Naturally, not all stakeholders will be interested in, or affected by, every aspect of our activities. Our targeted engagement programme focuses on the most pertinent issue/s for each stakeholder group, to encourage active participation and ensure meaningful feedback.

## Key facts from 2018/19



**Over 100**

Consultations, news & views articles and videos published



**Over 80**

Community engagement events and

**300** associated bi-lateral meetings



**Issued 89**

generation connection offers



**134,307**

web-site hits. Top-5 items – Projects, Orkney, Caithness-Moray, Shetland and Western Isles



**34 million**

Social media impressions



**£500k**

spent on engagement activities



**£1.3bn**

Submitted funding applications for connections to Western Isles and Shetland



**20** Renewable generation projects connected circa **1GW**



**£435m**

Average annual expenditure

# Stakeholder Engagement Strategy

## Identify

Who are our stakeholders?



Transmission connected generation/demand



SHEPD and other utilities



Consumer representative groups



Governments



Contractors, consultants and supply chain participants



Landowners



Statutory consultees



National Grid and SP Energy Networks



Local authorities



Trade bodies



Developers



Regulators

## Classify

Who should we inform, consult or collaborate with?

### Experts

Specialist knowledge or previous experience of the topic. Early and ongoing engagement largely through face-to-face meetings.



### High Impact

Potential activities directly and materially affect the individual, community or stakeholder. Early and ongoing engagement largely through face-to-face meetings and events.



### Bill Payer

Customer will incur the cost of the proposed activity generator, DNO or electricity user. Research, modelling and direct/indirect engagement including surveys, focus groups and forums.



### Everyone

Transparency and use of 'networks' to extend reach. Best practice of others. Specific involvement from employees and investors.



## Engage

What topics do we need feedback on?

We are seeking stakeholder input to all aspects of our activities as the transmission network owner in the North of Scotland. The key areas where we anticipate stakeholders' views will determine our future activities and plans are:

- Long term strategic goals
- North of Scotland Future Energy Scenarios
- Energy network users' requirements
- Cost and Willingness to Play
- Managing network risk
- New technologies
- Environmental Impacts
- Sustainability objectives
- Customer service
- Network Reliability and Availability
- Project development and construction
- The Connections Process.

## Involved

Talk, Attend or Write

Understanding our stakeholders' individual and collective requirements and seeking their feedback is extremely important in shaping our current and future business activities.

Our stakeholders have told us that their preferred method of engagement is direct face-to-face meetings, and that it is also important that we make information about our plans and activities open and available through as many ways as we can.

For our RIIO-T2 business planning we are also using several other contact methods, including surveys, focus groups and events, to try and reach as many of our stakeholders as we can so that their views are heard. Stakeholders can:



Register for projects and policy updates via our website: [www.ssen-transmission.co.uk](http://www.ssen-transmission.co.uk)



Write to us or send us an email: [yourplanourfuture@sse.com](mailto:yourplanourfuture@sse.com)



Contact us through social media channels e.g. Facebook or Twitter: [@ssencommunity](https://www.facebook.com/ssencommunity)



Join us at one of our engagement events or participate in a webinar discussion



Get in touch via your existing business contacts, Via **Alec Morrison**, our Customer & Community Manager, on **07876 836 633**

## Updating Our Engagement Strategy Corporate Culture

2018/19 has been a transitional year for our engagement strategy.

In response to stakeholder feedback asking for us to adopt a new more strategic and collaborative approach to engagement, with assistance from Corporate Culture (external specialists in employee and stakeholder engagement, and strategic and creative delivery) we have reviewed our current practices, process and procedures and developed a new engagement strategy for implementation during 2019/20.

Further information on this work is included as a case study in our Part 2 submission.

## External Assurance



**In April 2019, ERM Certification and Verification Services (ERM CVS) conducted an independent assessment of our performance against our Stakeholder Engagement Strategy and Delivery Plan for 2018/19.**

The 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 SHE Transmission had complied with its Stakeholder Engagement Strategy for 2018/19.

The Terms of Reference define compliance with SHE Transmission's Stakeholder Engagement Strategy and Delivery Plan as:

ERM concluded that the evidence provided to the assessor provides sufficient confidence that SHE 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.
- We can justify any occurrence of variation from our Stakeholder Engagement Strategy and Delivery Plan by reference to stakeholder preferences and any alternative approaches we have adopted are designed to meet the same overarching objective.



**In February 2019, AccountAbility conducted an independent assessment of our stakeholder engagement performance against internationally recognised stakeholder engagement standard AA1000SES.**

AccountAbility carried out reviews of relevant documentation, management systems and processes, and performed structured interviews with management responsible for stakeholder and customer engagement, as well as selected external stakeholders.

The assessment focused on the particular areas:

- Organisational stakeholder engagement strategy, governance and senior management involvement
- Systems and processes with regards to engagement planning, preparation, implementation and monitoring
- Inclusivity of stakeholder views and perspectives
- Identification and prioritization of material issues relevant to stakeholders
- Responsiveness on engagement activities and development of action plans.

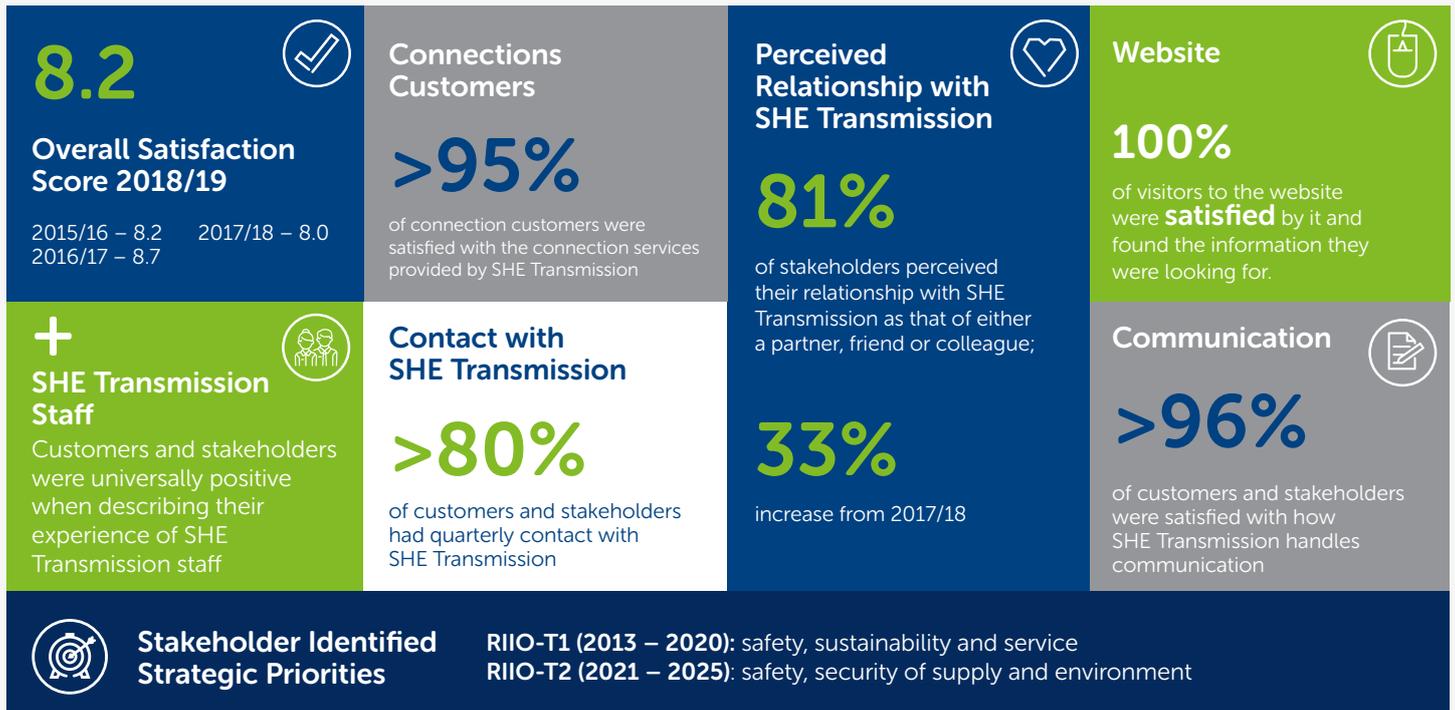
**AccountAbility concluded that,**

- There was strong evidence of a customer and stakeholder-centric culture, where stakeholder engagement is not just perceived as the "the right thing to do", but essential to the long-term success and sustainability of the business.
- Stakeholder engagement was embedded within the strategic, organisational and operational levels of the organisation, through the integration of tangible engagement responsibilities into employees' roles and objectives, and stakeholder engagement governance bodies.
- There was strong commitment and involvement from the organisation's leadership and senior management in not only setting a strong tone at the top and steering the stakeholder engagement vision and direction, but also actively participating in the planning, preparation, implementation and monitoring of engagement activities.
- There were notable improvements in terms of implementing a company-wide system (Tractivity) for collecting, storing and managing stakeholder information and feedback.



# Stakeholder Satisfaction Survey

The survey was conducted independently by Social Market Research (SMR) and is based on interviews with a sample of 111 stakeholders. The survey results provide us with valuable insight on the business activities that matter to our stakeholders and also help to inform and shape our future engagement. We are extremely proud of our fourth consecutive year of scoring above 80%.



In the survey we asked our stakeholders to describe SHE Transmission's personality in one word or phrase. The responses are captured in the word map below with common themes being reliable, helpful, approachable, trustworthy, confident and professional. This valuable insight, positive and negative, was used to inform and shape the development of our new engagement strategy which we will implement during 2019/20.



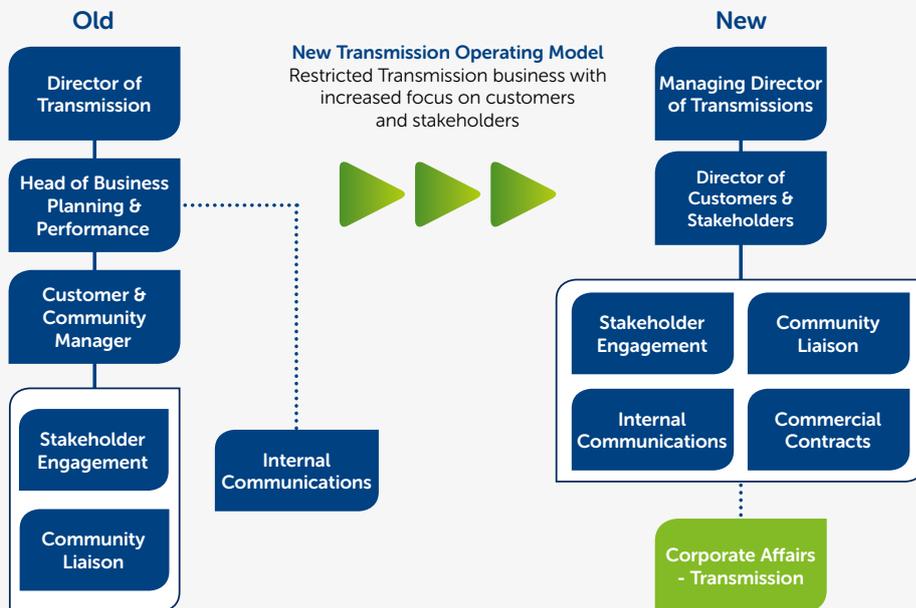
# Our Team

During 2018/19 a new Transmission business model has been put in place which includes a new role, Director of Customers and Stakeholders.

This recognises the important role that customers and stakeholders have in shaping our current and future business plans. The new structure will drive change and deliver our ambition of becoming a recognised leader in engagement. The teams within the new directorate have also been strengthened with six additional staff covering community liaison, stakeholder engagement, communications engagement, policy and digital material design.

In addition, to provide greater visibility and governance we have introduced bi-weekly stakeholder engagement practitioner meetings and monthly review meetings chaired by a member of the Transmission senior management team.

The Customer and Stakeholder team will develop and manage all transmission related communication and engagement with both internal stakeholders (i.e. staff within SHE Transmission, SSE Networks and the Corporate body) and all external customer and stakeholder groups (e.g. Developers, Landowners, Statutory Consultees etc).



*“The creation of this role is to recognise the importance of stakeholder engagement to the Transmission business, by having the function reporting directly into me.*

*This will deliver an effective customer approach that enables simple and clear lines of communication, placing customer requirements at the centre of our strategy. This will include internal communications, stakeholder engagement, community liaison and commercial contracts and will work closely with the Corporate Affairs team.”*

**Rob McDonald**  
(Managing Director, Transmission)  
on the new role of Director of Customers and Stakeholders

## Awards and Nominations

Our stakeholders told us that we should promote our good work. During 2018/19 we received recognition from a number of influential construction, environmental and sustainability organisations.

**1. Royal Institute of Chartered Surveys (RICS) Awards Scotland (April 2018).**

The Caithness Moray Transmission project won two awards – Infrastructure category and Project of the Year.

**2. BIG Biodiversity Challenge Awards (September 2018).**

Thurso South Substation (Great Yellow Bumblebee Project) – Overall winner of the BIG Biodiversity Challenge 2019; Project of the Year – Medium / Large Scale; BIG Biodiversity Pollinator Awards of the Year.

**3. Caithness Moray project highly commended runner-up in Infrastructure category at RICS Awards Grand Final (November 2018).**

**4. Stronelairg Wind Farm connection nominated for award at Utility Week Awards (December 2018).**

**5. Green Apple Awards March 2019.**

Two Scottish Green Apple Awards for Environmental Best Practice – Great Yellow Bumblebee biodiversity project at Thurso South substation; Caithness Osprey mitigation works near Alyth in Perthshire.

**6. Dornell Wind Farm connection nominated for award at Network Magazine Awards (March 2019).**

Engineering Project of the Year – Caithness Moray Transmission Link. What the judges said – *“The judges thought that Scottish and Southern Electricity Networks project Caithness – Moray Subsea Cable is an impressive feat of engineering which is a first for the company and in the country.”*



## Generator developers said "Be available for meetings" - during 2018/19

During 2018/19 we held...



# 54

Pre-application meetings



# 17

Portfolio meetings



# 33

Project meetings



# 10

"Working Together" meetings

## Acting on Feedback



In March 2018 we held our first annual stakeholder engagement event. Following the success of this event, during 2018/19 we held a further four events (a mix of conferences, workshops and focussed round-table discussions) covering a range of topics – commercial policy, connections, whole system planning, environment, sustainability and network operations.

These events were supplemented by webinars and bi-lateral meetings to ensure the contribution from those stakeholders who were unable to attend were captured and included in our deliberations.

These events were independently facilitated by EQ Communications, a consultancy specialising in stakeholder and community engagement.

Set against the current high volume of engagement across the industry, attendance at our events has been extremely positive with a strong commitment from our stakeholders to attend and participate in discussions.

Ensuring that our engagement is tailored, purposeful and timely has been contributing factors to the success of these events.



# 207

delegates representing 105 separate organisations from across our stakeholder community.



# 90%

of delegates found the workshops to be either "Very Interesting" or "Interesting".



# 95%

of delegates either "Strongly Agreed" or "Agreed" when asked "Did you feel that you had the opportunity to make points and ask questions?".

We have listened and acted on the feedback we received during 2018/19.

Examples of the actions and initiatives we have undertaken in response to stakeholder feedback and the feedback we received from Ofgem relating to last year's Stakeholder Engagement Incentive (SEI) Part 1 and 2 submissions are highlighted opposite.

In November at our Stakeholder Engagement event in Glasgow we held "Expert Surgery Sessions" hosted by SHE Transmission subject-matter experts.



Connections



Environment



Innovation



Sustainability

## Stakeholder Feedback

	Feedback	Response
Stakeholder Engagement	We had a proactive and reliable approach to stakeholder engagement. More specifically, face-to-face meetings and workshops received the most consistently positive feedback. These methods of engagement were a useful and efficient way of resolving problems, although evidently not accessible to all customers and stakeholders.	<ul style="list-style-type: none"> <li> To ensure everyone was informed on issues and developments during 2018/19 we trialed in Orkney and North Argyll the publication of "Frequently Asked Questions" (FAQs). In addition, we made use of webinars (hosted by subject-matter experts) to capture feedback on specialist topics (e.g. capacity allocation, securities and liabilities) from stakeholders who could not attend our events in person.</li> <li> Publishing FAQs has enabled stakeholders to better understand the broad spectrum of views we receive from stakeholders which in turn has led to a much richer more informed debate on key issues. Webinars have enabled us to extend our reach and secure input from a wider group of stakeholders.</li> <li> The adoption of the FAQ approach has delivered significant improvements in the efficiency of our engagement on these high-profile projects. The time required to respond to queries within the consultation period was reduced by 90% on Orkney from over 400 hours to just 40 hours. This delivered an engagement resource cost saving of £7,200 on this project alone.</li> </ul>
	We should reach-out to less obvious stakeholder groups, for example, Scottish Estates and National Farmers Union.	<ul style="list-style-type: none"> <li> During 2018/19 we initiated a review of our stakeholder database. Recognising that impact and influence changes over time, the review identified individuals and groups that have become redundant and can be removed, but also industry participants that we needed to reach-out to. It also sought to establish the areas of our business our stakeholders are interested in, so we can target our communication more efficiently and effectively.</li> <li> A more robust inventory of stakeholders, and a greater understanding of their individual and collective requirements. This information and learning will help shape how we configure and apply our new stakeholder management tool, Tractivity.</li> </ul>
	Engagement needs to be targeted via the most appropriate channel. Hold topic specific meetings and workshops in different locations across network area. Engage early and consider the level of knowledge of your audience. Provide information in an easily understood format. Focus on outcomes that can be influenced.	<ul style="list-style-type: none"> <li> Prior to any proposed engagement event we now carefully consider the engagement material, the audience and what the appropriate engagement mechanism should be. We use this information to develop bespoke engagement plans.</li> <li> Tailored, purposeful and timely engagement which seeks to avoid engagement fatigue.</li> </ul>
Key Performance Indicators (KPI)	KPIs are a useful performance metric, but only if the individual indicators are relevant and understood by stakeholders.	<ul style="list-style-type: none"> <li> Based on the feedback we received, during 2018/19 we undertook a full review of our current suite of KPIs. This included undertaking a consultation exercise to inform the development of a revised set of KPIs, including input from our Stakeholder Advisory Panel. This work concluded in March 2019 with a further consultation setting out our final KPI proposals for implementation in 2019/20.</li> <li> Recognition that some areas of performance that individual KPI target should be updated annually. Consequently, we plan to propose to Ofgem that we set new targets every year to ensure the KPI continue to be dynamic, relevant and a meaningful measure of our performance. In addition, we plan to publish a KPI Report and Action Plan each year to set out what actions we plan to take in response to our actual KPI performance. Increased focus on delivering the KPIs that stakeholders prioritised including employee time spent volunteering in the community under our "Be the Difference Day" scheme.</li> <li> The "Be the Difference Day" initiative provided £79,000 of community value.</li> </ul>
Sustainability and Environmental Initiatives	You felt the most significant factors affecting electricity transmission were security of supply, environmental impact, cost to customers, economic impact, impact on local communities and consequences for staff. In addition, we should consider further initiatives when considering our sustainability (e.g. optimising resources, mitigating climate change, supporting thriving communities and communicating our sustainability plan) and environmental (e.g. our contribution to biodiversity, forestry and woodland, landscape and visual amenity and oil management) initiatives.	<ul style="list-style-type: none"> <li> With these priorities identified we carried out targeted engagement on asset management and security of supply to inform our plans in this area for RIIO-T2. This included events and consultations.</li> <li> Three options were presented to stakeholders that required increasing levels of investment. Stakeholder expectations were for us to perform above minimum standards across all aspects. When costs were revealed stakeholders downgraded their option preference on Black Start investment due to the scale of costs. Based on the limited support for additional investment on Black Start, we have only included a Minimum Standard level of Black Start investment in our T2 plan.</li> <li> This stakeholder-led decision saves consumers in the region of £200m over the T2 period.</li> <li> On sustainability we undertook a consultation on our sustainability action plan which set out our ideas (based on discussion with stakeholders) on what initiatives could be delivered, we also ran events on waste and resources and environment (biodiversity, woodland cover etc) to gather more ideas for our final action plan and our T2 plans.</li> <li> Adoption of new targets on waste and resources supported by our supply chain and contractors.</li> <li> Improved management of waste on sites supporting environmental aims through largely cost neutral initiatives.</li> <li> To address the need to consider cost to customers we undertook willingness to pay research in collaboration with the other TOs.</li> <li> Results of the research will be published in July 2019 and shared with interested stakeholders including citizens advice and statutory consultees. An informed view of consumer priorities and willingness to pay for different network services (e.g. security and reliability) and impact reduction (e.g. visual and environmental) has been included in our project cost benefit analysis methodology ensuring appropriate consideration in project decision making.</li> </ul>
Innovation	Do more to publicise your innovation projects, work more closely with partners, be aware of new technologies and ensure innovation delivers value for money.	<ul style="list-style-type: none"> <li> We included innovation as a discussion point at stakeholder engagement events which were attended by current and potential future innovation partners to raise awareness of our activities and to invite further collaboration. To address the value for money challenge, we developed an innovation benefit assessment approach which showed that the value of our innovation projects so far in T1 has been around £29m.</li> <li> This assessment is included in our project cost benefit analysis methodology ensuring innovation benefits are quantified and appropriately inform decisions on project proposals. With the stakeholder feedback we also developed a new innovation strategy which prioritises collaboration and partnerships.</li> <li> During 2018 we worked in partnership with two suppliers: GE and Siemens, on applying innovative solutions for the replacement of SF6 gas in our substations.</li> <li> Trial applications of the new technologies at two of our substations.</li> <li> Using g3 instead of SF6 in those two substations will avoid the installation of approx. 200,000 tons of CO2 equivalent. Based on a central carbon price of £67 This equates to over £13m worth of carbon saved.</li> </ul>

	Feedback	Response
Future	<p>The future role of the energy industry was diverse (e.g. the potential uptake of electric vehicles, battery storage, marine renewables, environment and sustainability expectations etc), but as a key industry participant, SHE Transmission must be ready to respond in the appropriate manner. Also, heat and transport and key factors, not just energy.</p>	<ul style="list-style-type: none"> <li> Following an announcement from the Crown Estate Scotland to run further leasing rounds for offshore energy generation, we initiated collaborative discussions with Marine Scotland and the GBSO to look at ways in which we could help offshore wind developers take advantage of these opportunities by co-ordinating our activities to provide timely connections to the transmission network.</li> <li> We are leading exploration and coordination of the necessary analysis required to provide industry parties with information to inform the leasing process and support the Scottish Government understanding of the network capability to support future offshore wind growth.</li> <li> Improved relationships with partner organisations, supporting new entrants if the offshore wind market and increased efficiency in the connections application process.</li> <li> Building on the Future Energy Scenarios Engagement undertaken initiated in 2017 and continued in 2018, we shared the results of our engagement, our analysis and our scenario findings with interested stakeholders including UK and Scottish Government, Ofgem, local authorities and the System Operator.</li> <li> Findings of our scenarios have been applied by the GBSO in their most recent analysis for their Future Energy Scenarios and the Networks Options Assessment. The analysis has also informed the Scottish Government Networks Vision, and the plans of the Transport Scotland Electric Transport working group. This has ensured that a more accurate representation of north of Scotland network needs are included based on stakeholder needs and expectations including stakeholders that we engaged, such as local and community energy groups, who would not always have access to these decision-making parties.</li> <li> Development of projects in the North East to provide 610MW and 480MW of capacity to alleviate constraints on low carbon generation and additional flexibility through interconnection following determination by the SO that this is a least-regret option.</li> </ul>

### Stakeholder Engagement Panel Feedback

	Feedback	Response
Executive buy-in	<p>We had a way to go to catch up with established best practice within the transmission and other sectors.</p> <p>There was limited evidence of executive buy-in, or of a culture of stakeholder engagement being embedded in the organisation.</p>	<p>With assistance from engagement specialists Corporate Culture (<a href="https://corporateculture.co.uk/">https://corporateculture.co.uk/</a>) during 2018/19 we initiated a review of our current stakeholder engagement strategy. Corporate Culture have worked extensively throughout the utility sector, both energy and water. To date this work has involved bilateral interviews with key stakeholders, focussed workshops with key staff and desk-top analysis to identify best practice processes and procedures. Following a period of industry consultation, the review will conclude Summer 2019 with implementation of a new Stakeholder Engagement strategy.</p> <p>Following the feedback in summer 2018 an action plan was developed to address our poor performance in stakeholder engagement incentive. This was signed off by the SSEPD Board and delivery was overseen by two members of the leadership team: Director of Transmission Programmes and Director of Business Planning and Commercial.</p> <p>Extensive resource was applied to the improvement project with activities undertaken by the Customer and Community Manager, Performance Manager, Project Controls Manager, the Networks Insights Manager and Head of External Relations.</p> <p>Later in 2018 our senior leadership team and our board signed off our new strategic objectives with "Stakeholder-led" being an overarching strategic objective covering the whole business. By committing to this strategic objective our Board is committing to a stakeholder engagement culture. This has been given priority as a specific requirement of our new stakeholder engagement strategy.</p> <p>Our existing culture has strengths that can be applied to this, for example, all SHE Transmission employees have a service value in their annual objectives and for most employee's performance on these values is linked to rewards. The Service value specifically calls out that employees will understand and meet customer and stakeholder needs and deliver a service culture.</p>
Culture	<p>There was little evidence that our existing strategy was driving a culture of engagement which is being embedded in the business. Also, it was not clear how stakeholder feedback had influenced or changed business decisions.</p>	<p>Stakeholder engagement is an integral part of our business and is practiced by all staff daily. Recognising that established best practice in this regard evolves over time, during 2018/19 we initiated a review of our current engagement practice. We have employed engagement specialists Corporate Culture to assist with this review. Further information on this work can be found in our Part 2 submission.</p> <ul style="list-style-type: none"> <li> <b>Tractivity</b> - An element of our new strategy has been the introduction of a new customer and stakeholder management tool, Tractivity, which will support our engagement strategy and will allow more systematic monitoring of stakeholder sentiment, stakeholder contacts, input and feedback, follow up actions and ensuring stakeholder input is then embedded across our strategic, operational and project activities. AccountAbility – "Having a business wide stakeholder platform, such as Tractivity, represents leading practice within the Utilities sector. Tractivity can bring consistency to the entire engagement cycle for the business".</li> <li> <b>Network Design</b> - Feedback from across the business is gathered on a weekly basis and stored on a central database for analysis by the stakeholder engagement team. Actions and lessons learned are shared with the business. Examples where stakeholder feedback have influenced or changed business decisions include:             <ul style="list-style-type: none"> <li>• The design and layout of the Finstown substation on Orkney (i.e. its orientation and construction) and the decision to undertake a detail underground cable survey in North Argyll as a potential alternative to an overhead line solution.</li> </ul> </li> <li> <b>Business Planning</b> - During 2018/19 we stepped up our engagement on our plans for the next price control. In doing so, we invited stakeholders to provide input, review options and inform decisions. In particular, stakeholders influenced our decision to adopt minimum standard approaches for black start (we were previously planning a more ambitious investment programme).</li> </ul>

	Feedback	Response
Stakeholder Input	Limited evidence of initiatives reflecting the needs of stakeholders. Want to see more evidence of engagement providing opportunities for stakeholders to input and give constructive challenge rather than validating existing plans.	<p>As a responsible developer, we are always looking for new and innovative ways to provide customers and stakeholders with information on our proposed transmission upgrades. We are keen to make sure that any information we present is clear, accessible and easy to digest. In this regard, during 2018/19 we have focussed on addressing concerns relating to the visualisation impact of our assets and the technical / financial complexity of the regulatory framework that we operate within.</p> <p> <b>Visualisation</b> – We have found that members of the public often struggle to visualise the extent of our infrastructure work – size, height, type of equipment etc. This has been particularly evident in Orkney where we are proposing to install transmission assets on an island served solely by a distribution network. To help allay any concerns regarding landscape impact and general visualisation concerns we developed extensive detailed 3-dimensional models (utilizing technology similar to Google Maps) of our proposed plans, including short videos showing how we planned to construct key sections of the project (e.g. directional drilling under a river). These models have proved invaluable and were well received by members of the local community who attended our community liaison events.</p> <p> <b>Orkney</b> – result of visualisation, allowed stakeholders to challenge in an informed way, based on a key view where the site was very visible to local residents and road users. We were able to play with the design in the model which resulted in the substation platform being lowered by 1 metre and the additional excavated material added to the landscaping to reduce views of the site.</p> <p> <b>Complexity</b> – To give a better understanding of our proposed upgrade to the line between Inveraray and Crossaig, we developed a web-based interactive summary of the project’s Environmental Impact Assessment (EIA) Report. This interactive summary includes interactive maps, visualisations and other information and is designed to be viewed on a wide range of devices and formats, for example Android and Mac, tablets, laptops and phone.</p> <p> <b>Complexity</b> – Similarly, over the last 10 years we have been developing plans to establish transmission links to the Western Isles, Orkney and Shetland. Collectively these links represent circa £2 billion of investment. As these links moved closer to financial approval we recognised that the renewable developers that underpinned these projects were not sufficiently aware of the associated charging and financial security implications. During 2018/19 we held several focussed workshops and webinars (with support from GBSO and SHEPD) where we discussed developers individual and collective obligations. This ensured everyone was informed and able to engage meaningfully in the Ofgem approval process.</p> <p> <b>Timely</b> – An increase in early stage engagement on projects is allowing stakeholders to challenge our BAU approaches. For example, our usual approach on undergrounding projects is to use sealing end compounds. On our Cairngorms undergrounding project stakeholders were given the option of this approach or an alternative approach of using tower platforms. Stakeholders opted for tower platforms due to reduced visual impact.</p> <p> This approach has also resulted in cost savings of around £450,000 on the project and a much smaller land requirement. This has also made the project easier to consent. This example demonstrates the multiple benefits of engagement. Early engagement and presentation of multiple options is a feature of our VISTA projects and is being adopted in new projects including the North East projects and our RIIO-T2 planning.</p>
Value for Money	The panel wanted SHETL to be outcomes focussed, as well as to give more information on value for money.	<p>The benefits of engagement can be difficult to monetise. We are increasingly tackling this challenge and have designed our new cost benefit methodology such that the comparison of options can show cost savings and other benefits such as reduced environmental impacts.</p> <p>Our work on willingness to pay undertaken in 2018/19 will also provide better basis for quantification of the value of outcomes driven by engagement. By delivering this research in collaboration with the other TOs the GB consumer was saved from paying for multiple versions of the research.</p>
Plans and Processes	Existing project plans and processes were quite basic and didn’t show level of resource allocation.	During 2018/19 we have introduced bi-weekly stakeholder engagement meetings and monthly senior management ‘Project Review Board’ meetings to review on-going activity and provide greater management visibility. Also, a new larger team with a dedicated Director focussed on customers and stakeholders has been established. Further information on these organisational changes can be found in the section titled ‘Our Team’ in our Part 1 submission.
Collaboration	Much of our current activity was seen as ‘Business as Usual’ (BAU) and there was also little evidence of information sharing with others.	<p>Anything that enhances the understanding of our customers and stakeholders and allows them to engage from a more informed basis can only be a good thing. We have strived to facilitate this with our use of 3-dimensional models and videos and the use of interactive tools. We have also undertaken many collaborative projects with industry participants, for example, with The Crown Estate Scotland and Marine Scotland on fast-tracking connection applications and with SPEN and National Grid on Willingness to Pay research.</p> <p>In 2018 sharing of information and expertise has been a core element of our engagement on future energy scenarios, customer connections and project development as explained in our action to stakeholder feedback above and in our part 2 submission. We intend to extend this approach more broadly in 2019.</p>



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