HOUSEKEEPING

- We're using Slido today to capture some of your thoughts and feedback.

- Please feel free to ask questions throughout the session in the Teams chat.

- Today's session will be recorded and will be made available after the event. The recording will stop for the Q&A session.

Video/webcams off
Please only turn your video on for the discussion in break-out rooms

Mics on mute
Please stay on mute unless you are asking a question

Technical queries
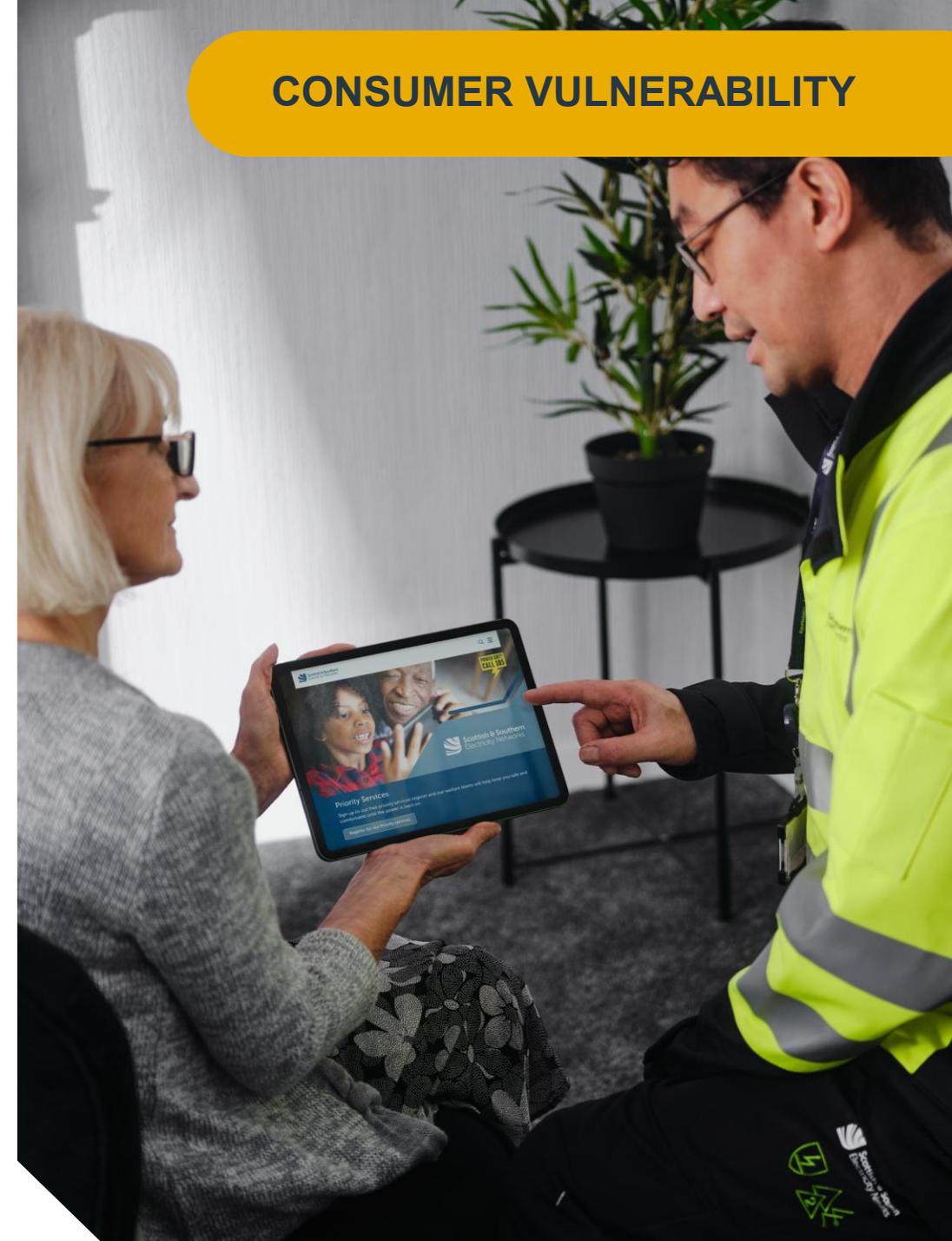If you have any technical questions let us know

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vulnerability

AGENDA

TIME	ITEM	WHO
09:00	Welcome	Andy Scott
09:20	ED2, our commitment progress & discussion	Olivia Worthington
10:05	ED3, our forward thinking & discussion	Emma Merritt
11:00	Break	All
11:10	Innovation bought to life & Q&A	Simon O'Loughlin
11:50	Reflections and close	Andrew Bailey

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What type of stakeholder are you?

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Did you come to this event last year?

ⓘ Start presenting to display the poll results on this slide.

CONSUMER VULNERABILITY

WELCOME

ANDY SCOTT

Scottish & Southern Electricity Networks

SSEN DISTRIBUTION

WHO WE ARE

We're Scottish and Southern Electricity Networks (SSEN) Distribution. We're the Distribution Network Operator (DNO) responsible for delivering power to almost 4 million homes and businesses across central southern England and the north of Scotland.

We serve some of the UK's most remote communities - and some of the most densely populated. Our two networks cover the greatest land mass of any UK DNO, covering 72 local authority areas and 75,000km² of extremely diverse terrain.

We're also at the forefront of delivering the decarbonised electricity system of the future, connecting new low-carbon technologies to the network. Through this, we're helping support sustainable economic growth for decades to come.

SSEN DISTRIBUTION NETWORK AT A GLANCE

North of Scotland
SSEH/SHEPD LICENCE AREA

Nearly **4 million** homes and businesses

Over **128,000km** of overhead lines and underground cables

Over **460km** of subsea cables powering our island communities

Over **4,400** employees across the country

Central Southern England
SSES/SEPD LICENCE AREA

WELCOME

We've undertaken a refresh of our strategy, to refine our focus, share developments, understand emerging issues and zone in where our actions will have the most impact.

Our approach to consumer vulnerability

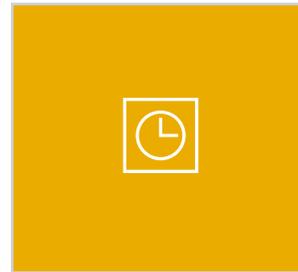- Understanding
- Data
- Partnership
- Knowledge
- Tracking

Key highlights

- Increased households on PSR
- Support in action
- Essential support

3 strategic pillars

- Providing and promoting our Priority Services
- Supporting households in fuel poverty
- Enabling low carbon transition

Looking ahead

- Long term strategy
- Enduring goals
- Set the tone for the support we want to deliver into the future.

1. PROVIDING & PROMOTION OF OUR PRIORITY SERVICES

	Performance	Progress	Looking ahead
PSR gap analysis	Cumulative 1.08M /69% ED2 1.45M /90%	Insight led marketing & communications Currently using influencers across 3 needs Partnerships & customer mapping tool	Still 500K to hit Focus on targeted growth through partnerships and promotion
PSR CSAT	Cumulative 8.89 ED2 – 9.4	Continuous improvement across colleague training & new systems, tools and technologies. British Standards accreditation Retaining number one spot for digital accessibility	Change is embedded & must continue to drive improvements
Customer Value Proposition	Cumulative 20 batteries 110K PCPs ED2 - 20K batteries ED2 - 375K PCPs	Power Cut Plans (PCP) are now part of standardised welcome letter Battery trial complete and regulated tender advancing	PCP research to measure effectiveness to inform iterations Focus on data to target distribution of batteries
Power cut packs	Cumulative 0 ED2 – 5K	Emergency light, power, and warmth during power cuts Purchased, sustainable packaged and ready to go	Meaningful local distribution continues to the end of 2028
Vulnerability Allies	Cumulative 76 ED2 - 200	Raising awareness & encouraging a culture of inclusion Supporting & reviewing annual reports, E learning & Marketing plans	Promote & widen membership to ensure purpose remains true & engagement drives cultural shift

2. SUPPORTING HOUSEHOLDS IN FUEL POVERTY

	Performance	Progress	Looking ahead
Social Support packs	Cumulative 0 ED2 - 5K	Help households with measures to reduce energy Insulate more doors, windows & add radiator reflectors in their homes	Monitor effectiveness & keep adapting to ensure value is delivered
Fuel poverty household support	Cumulative 26,417 ED2 – 50K	17% increase in number of households supported with NPV of £3.850m	Broaden partnership portfolio to cope with demand Monitor benefit changes
City & Guild Energy Efficiency level 3	Cumulative 12 ED2 - 30	Enabling on the spot advice via key front-line colleagues is a privilege 10 graduates & 2 studying	Increase the number of front-line colleagues who can benefit from similar training

3. SUPPORTING THE LOW CARBON TRANSITION

	Performance	Progress	Looking ahead
Shareholder fund	Cumulative £755,124 —— ED2 - £2.5M	Split north and south the Powering Communities to Net Zero fund supports LCT accessibility initiatives Application process improved	Promote wider Add PSR awareness
LCT household support	Cumulative £0.465M —— 2027/28 - £0.856m	This forms part of how we support households in fuel poverty	Continue our community support & benefits this delivers Promote wider

BREAKOUT

Scottish & Southern Electricity Networks

BREAKOUT QUESTIONS

Considering the 3 strategic pillars and the commitments within….

- **Where should our focus be in the last 2 years of ED2?**

  - **Why is that important?**

  - **What difference/impact will this drive?**

  - **How can you support?**

TIME FOR DISCUSSION – 25 Minutes

SUPPORTING HOUSEHOLDS IN FUEL POVERTY

COMMITMENTS

- Packs - 5,000 energy efficiency packs
- Fuel Poverty household support – 50,000 households
- City & Guild – train 30 employees energy efficiency

ENABLING LOW CARBON TRANSITION (LCT)

COMMITMENT

- Shareholder fund – 'Powering Communities to Net Zero' fund to support LCT accessibility initiatives for those in vulnerable situations

PROVIDING AND PROMOTING OUR PRIORITY SERVICES

COMMITMENTS

- Vulnerability Allies - 200
- PSR Customer Satisfaction - improve to 9.4
- Packs – 5,000 power cut packs
- PSR gap analysis –1 million, refreshing data every 24 months.
- Customer Value Proposition – provide Power Cut Plans, and 20,000 batteries.

ED3 AND OUR FORWARD THINKING

EMMA MERRITT

Scottish & Southern Electricity Networks

BACK TO BASICS | PRICE CONTROL EDITION

WHAT IS A PRICE CONTROL?

A price control is Ofgem's regulatory framework for UK gas and electricity frameworks, setting revenue limits and performance targets.

KEY ELEMENTS OF RIIO-3

Regulatory Framework

How much money network companies can earn and the standards they must meet

Incentives

Rewards companies can earn or penalties they could incur based on how they perform against defined targets

Innovation

Developing and implementing new technologies

Outputs

Includes key performance indicators such as safety, customer satisfaction and reliability

Net Zero

Ensure networks are fit for the future and can support goals for a clean energy system

ED3 AND CONSUMER VULNERABILITY

Ofgem are due to release the Sector Specific Methodology Consultation in the next few weeks which will provide guidance on what is expected in ED3.

Whilst we don't know exactly what is expected of the Distribution Networks Operators in ED3, we know support for our Priority Service Customers, for those in Fuel Poverty and those at risk of being left behind in the transition to Low Carbon Technology will remain focus areas.

We will also be required to create a set of commitments to our customers as part of ED3 business plan.

Our aim for our Consumer Vulnerability Strategy:

- Customer and Stakeholder Led

- Ambitious but achievable

- Looks beyond the next price control

STAKEHOLDER ENGAGEMENT APPROACH

Stakeholder Engagement is a critical part of the ED3 Business Planning Process.

In short, if we do not effectively demonstrate that we've engaged with stakeholders to build our plan – Ofgem may dismiss our justification, and it will be more difficult for us to deliver for our customers.

Therefore, there are some general principles of our engagement we will all follow

We will evidence everything

We will engage on everything

We will engage with everyone.

ED3 Strategy

OUR JOURNEY SO FAR
KEY MESSAGES

Through engagement with Ofgem, along with public consultations, we have had some key messages that we will need to consider as we move forward.

Vulnerability
- Ofgem are keen on keeping incentivisation of positive outcomes for vulnerable consumers.
- Focus building on multi-sector Priority Service Register.
- Focus on Low Carbon Transition is expected for customers in vulnerable situations.
- Energy Efficiency remains a point of debate with various elements of the argument for and against the role the DNO plays in this area.
- Potential change to how the vulnerability incentive is assessed, with possible introduction of panel style assessment.

Customer Service
- Broad Measure is set to stay, however, it has been proposed that a review takes place with Ofgem on the question set and methodology behind the surveys, including proposals to remove killer question and look at how customers are surveyed.
- Ofgem are considering if this customer service remains incentivised or moves to penalty only.
- Focus on affordability

OUR EARLY THINKING

SUPPORT FOR PRIORITY SERVICE CUSTOMERS

We want to emphasis the **SERVICE** in Priority Service Register, ensuring we are supporting our customers in the way they need

SUPPORTING HOUSEHOLDS IN FUEL POVERTY

We want enhance our role in enabling access to **FUEL POVERTY** support by providing a holistic fuel programme which supports customers whilst also achieving our Net Zero goals
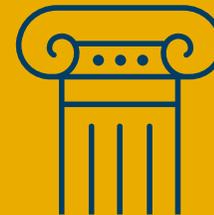
ENABLING LOW CARBON TRANSITION

We want to engage with and support customers in the transition to **LOW CARBON TECHNOLOGY**, helping them have a safe, warm, energy efficient home

BREAKOUT

Scottish & Southern Electricity Networks

BREAKOUT QUESTIONS

SUPPORT FOR PRIORITY SERVICE CUSTOMERS
- With the growing number of customers registered on our Priority Service, how can we ensure we are providing the right level of support, tailored for each customers needs?
- What services do customers need / want during a power cut?

SUPPORTING HOUSEHOLDS IN FUEL POVERTY
- Is our current approach to supporting customers in fuel poverty still fit for purpose?
- How can we expand / improve on this programme, ensuing all customers have equal access to the service?

ENABLING LOW CARBON TRANSITION
- Customers who would benefit most from installing Low Carbon Technology are the ones most likely to be low interest or low engaged. How can we engage and support those customers?

POINTS TO CONSIDER
Where should our focus be in ED3 **How can we build on our ED2 commitments in our ED3 strategy** **Do you agree with our approach to Stakeholder Engagement** **Supporting Vulnerability beyond 2033**

TIME FOR DISCUSSION – 25 Minutes

LET'S TAKE A BREAK

Scottish & Southern Electricity Networks

Why innovate?

Innovation is a recognised way of safely transforming regulated critical national infrastructure.

As we transform our energy systems, we consider all our consumers.

SPECIFICALLY, THESE ARE OUR INNOVATION AIMS IN A NUTSHELL!

Deliver value and improve service for customers

Deliver measurable social, environmental and safety benefits

Improve network reliability

Facilitate the low carbon transition and economic growth

27
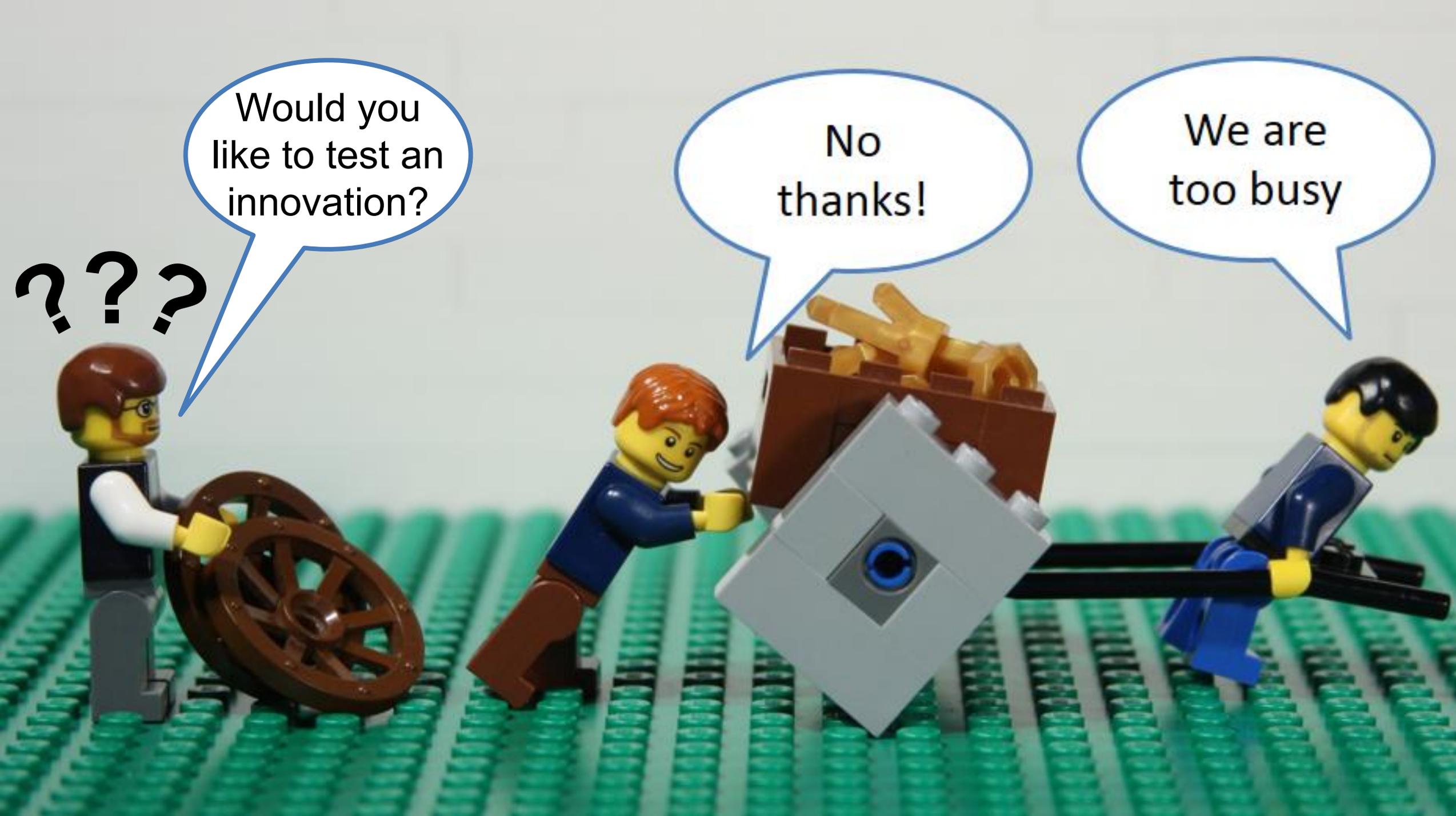
PAST INNOVATION SUCCESSES INCLUDE…

Smart Data Derived Connectivity Tool
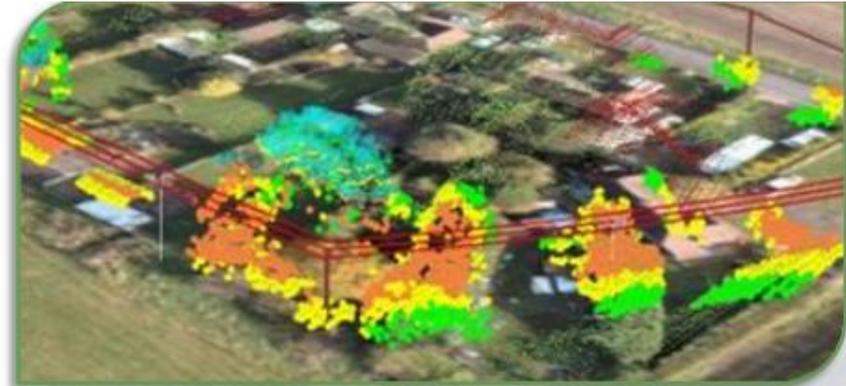
Lidar Overhead Line Surveying
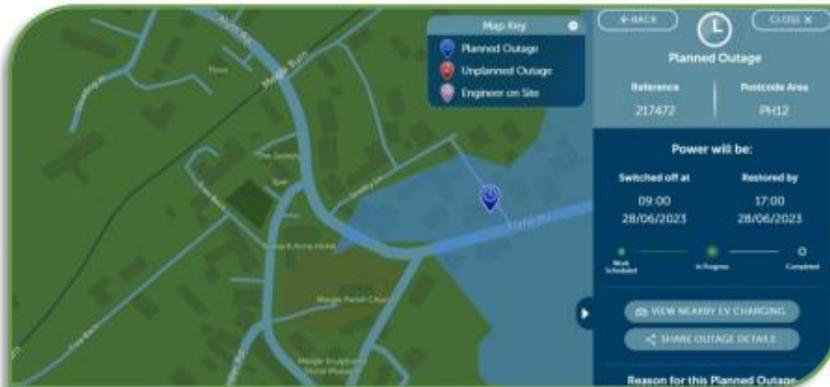
Power Track (Customer Fault Reporting)

Open Data (NeRDA)

data.ssen.co.uk

Three years of consumer vulnerability innovation in six slides!

You've heard about ED2 and ED3, our current price controls. Our renewed focus on a Just Transition started in ED2!

So, how's it going?

WE PUT CUSTOMERS AT THE HEART OF INNOVATION PROCESS

There's the Vulnerability Impact Assessment Tool to ensure we don't detrimentally affect vulnerable customers

We discuss Consumer Vulnerability in Gate One assessments and in all project applications

Innovation was embedded into our Consumer Vulnerability Strategy for the first time ever in 2024/25 and will run throughout this coming year

Consumer vulnerability data is included in the LENZA tool, to factor customer situations into planning decisions

WE COLLABORATED TO EVALUATE AND EMBED FAIRNESS

SMART & FAIR

Working with the smart energy capabilities lens

By Charlotte Johnson, Nick Stromberg, Karen Smith, Sam Homan, Elliott Price, Karn Shah

February 2024

HOMEflex

HOUSEHOLD OR MICROBUSINESS ENERGY FLEXIBILITY CODE OF CONDUCT

Flex Assure | Scottish & Southern Electricity Networks | centre for sustainable energy

UtilityWeek

Domestic flexibility compliance scheme needed to protect consumers

ELECTRICITY NETWORKS   ELECTRICITY RETAIL   ENERGY FLEXIBILITY
ENERGY NETWORKS   ENERGY RETAIL   REGULATION
STRATEGY, POLICY & REGULATION

Share f X in ✉

We've worked with CSE and NGED to research and promote the fairest ways of moving to a smart energy system via **Smart and Fair** and the **Capability Lenses**

We've worked with Flex Assure and industry partners to made domestic flexibility fairer by creating and launching the **HOMEflex Code of Conduct**

We're created and promoted the **HOMEflex Compliance Scheme** framework which Government and OFGEM are using to base future licencing on

We've collaborated with gas networks and Northern Power Grid to create the **Vulnerability Visualisation Tool**, giving a GB wide view of customer resilience and requirements

WE LAUNCHED DEDICATED PROJECTS TO TACKLE SPECIFIC ISSUES

We've helped to make EV's more accessible and inclusive.

Equal EV even influenced the new **British Standard for EV changepoints, PAS 1899**

Equal LCT is assessing whether a coordinated roll out of Heat Pumps and Energy Efficiency could be used to reduce heating related network peaks and help customers afford LCTs

A collaboration with Cadent and CEE called **SHINE** is developing a UPS for boilers in the homes of people who need heat for medical reasons

StreetScore 2 helped to improve the safety and accessibility of pedestrians, from pushchairs to wheelchairs and sight loss to autism

WE ARE LEADING THE INDUSTRY IN A JUST LOW CARBON TRANSITION

VIVID developed a GDPR compliant way to identify and support customers in vulnerable situations using the PSR, council data and charity support

Our **VFES** project, with ICL, NEA and the Smith Institute became the first to place customer requirements alongside capacity needs in network planning and investment decisions

Our DSO and Whole System teams worked with **REGEN** to embed **VFES** data and customer needs into our investment planning and engineering processes

We're also recognised and winning awards, including the:

'Best use of AI for Public Good'

'Most Innovative Use of AI'

'Unlocking Data Award'

COMING UP TO DATE, THIS MONTH WE'VE LAUNCHED VERIFY

Vivid
Smarter local services

+

VFES
Vulnerability Future Energy Scenarios

=

VERIFY
VULNERABILITY EVALUATION
FOR RESILIENCE, INVESTMENT
AND FLEXIBILITY
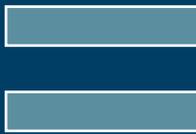
VERIFY IS A £5M THREE YEAR PROJECT TO JOIN THE ENERGY INDUSTRY WITH LOCAL GOVERNEMENT, AND THE THIRD SECTOR, GB WIDE!

🤝 **Improve collaboration** between councils, charities, DNOs, GDNs, suppliers, and other stakeholders

🧭 **Find households who miss out on support** to offer the help and services they are entitled to

🏠 Allow **local authorities and the third sector** more accurately deliver critical services and support

🔌 Help **DNOs and GDNs invest and adapt networks** from a customer and community perspective

📊 Facilitate support for **customers who want low carbon technologies**, but will need help and advice

📶 **Bridge the digital energy dived** enabling access digital services and the cost savings they unlock

⏳ Help to **forecast Low Voltage reinforcement timescales** at a local level, saving money and disruption

🚨 Enable **fast, secure, and reliable response** during civil contingencies and emergency situations

WE'RE ALL EARS FOR YOUR IDEAS!

Or questions, comments, and feedback, we really do want to know!

Simon O'Loughlin:

simon.o'loughlin@sse.com

Q&A

Scottish & Southern Electricity Networks

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Please download and install the Slido app on all computers you use

On a scale of 1 - 5, with 1 being low and 5 being high, do you believe your understanding of our Customer Vulnerability Strategy has improved?

ⓘ Start presenting to display the poll results on this slide.

REFLECTIONS & CLOSE

ANDREW BAILEY

Scottish & Southern
Electricity Networks