

SSEN Distribution
**ANNUAL BUSINESS
PLAN COMMITMENT
REPORT**
2024/25



Scottish & Southern
Electricity Networks



ABOUT SSEN

Who we are and what we do

We are **Scottish and Southern Electricity Networks (SSEN)**, is the trading name of the two **Distribution and one Transmission businesses that form part of the FTSE-100 energy company, SSE.**

This report focuses on the two Distribution businesses, **Scottish Hydro Electric Power Distribution plc (SHEPD)**, that operates to the north of the central belt of Scotland, and **Southern Electric Power Distribution plc (SEPD)** that operates in central southern England, as shown on the map opposite.

Together, these networks serve nearly 4 million homes and businesses, from the bustle of west London to the smallest villages in the Highlands and Islands of Scotland.

Our primary focus is to provide a safe and reliable supply of electricity to our customers by investing in, and maintaining, the systems of overhead lines, underground and subsea cables that transport electricity to homes and businesses, as well as ensuring ongoing and continuous improvement of the service we offer our customers.

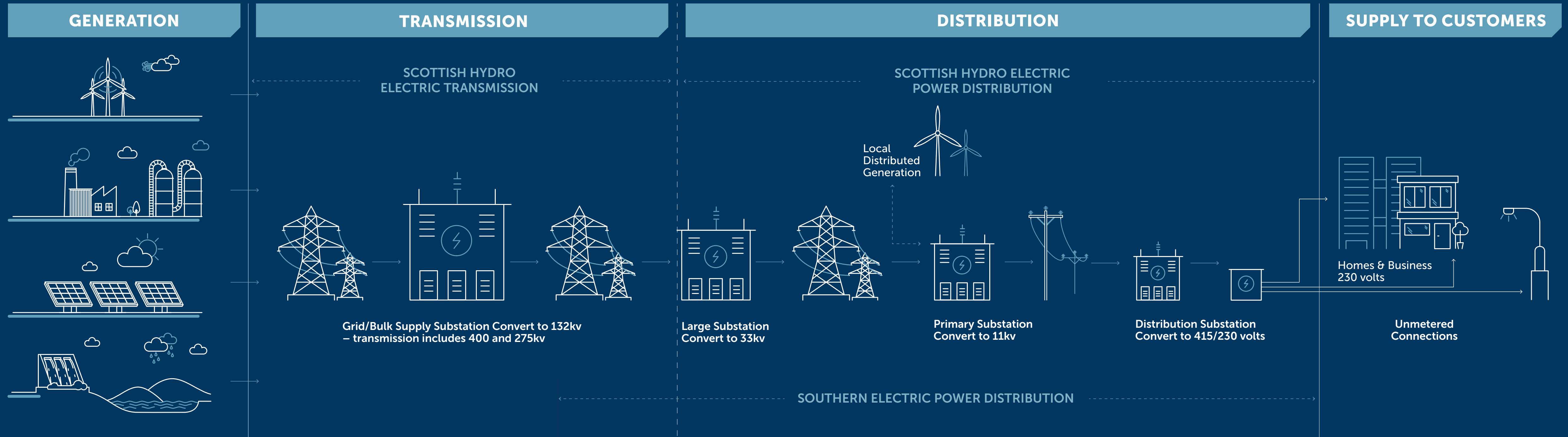


SHEPD
797,655 customers'
homes and businesses served

49,821km
of overhead lines and
underground/subsea cables

SEPD
3,150,112 customers'
homes and businesses served

79,171km
of overhead lines and
underground/subsea cables





CONTENTS

MANAGING DIRECTOR’S MESSAGE	4
PERFORMANCE SNAPSHOT 2024/25	5
COMMITMENTS SUMMARY	8
COMMITMENTS	9
DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK	9
PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES	13
ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD	18
GLOSSARY	25





MANAGING DIRECTOR’S MESSAGE

As the electrification and digitisation of our economy accelerates, electricity networks are central to driving economic growth, greater connectivity, and the transition to a decarbonised world. The case for proactive investment in our networks has never been clearer – unlocking faster connections, improving resilience, and supporting sustainable development across the communities we serve.

We’re proud of the momentum we’re building in RIIO-ED2. Our RIIO-ED2 Business Plan marked a significant growth in ambition, and our record of delivery in 2024/25 reflects our commitment to achieving this. Building on this strong progress, we’re working hard to create the conditions for future success and to deliver our commitments for the end of this Price Control period.

We’re currently on track or ahead on delivery of 49 of our 53 business plan commitments (93%), with 3 commitments exceeding our targets (6% of the total). This performance spans our four key Business Plan priorities: delivering a safe, resilient, and responsive network delivering a safe, resilient, and responsive network, providing a valued and trusted service for our customers and communities, accelerating progress towards a net zero world and making a positive impact on society. As we continue to focus on meeting our commitments over the remainder of RIIO-ED2, we’re also turning our minds to preparation for the next Price Control. Our “Empowering Communities, Enabling Growth” document sets out our initial thinking for ED3 and beyond as expectations and demands further evolve. In the meantime, this year’s Business Plan Commitments report demonstrates our proven ability to meet challenges as we prepare for a further increase in activity to unlock value for our customers and communities in the next regulatory period.

We’re proud of our overall performance and improvements achieved in 2024/25. For example, connections is an area where we’re tracking well overall, especially in SHEPD where we’ve outperformed on Time to Quote (TTQ) and Time to Connect (TTC) for both single connections (LVSSA) and multiple connections (LVSSB). Whilst SEPD remains behind the LVSSB TTQ year 2 target, our focused improvement activity has delivered a performance improvement of 22.5% compared to last year - an improvement trajectory that will deliver on our commitment by the end of RIIO-ED2. Whilst we’ve delivered a number of improvements in these areas, we’re behind target for 4 of our commitments (7%).

Delivering a safe, resilient, and responsive network

Safety is the most fundamental of our core values. This year we increased the number of safe days on our network to 310 in 2024/25, whilst also reducing our Total Recordable Incident Rate (TRIR) compared to last year. Our primary purpose as a distribution network is to deliver a reliable supply of electricity to our customers, and it is therefore critical that we continue to improve asset health on the network. We delivered 51% of our RIIO-ED2 total target risk reduction at the end of 2024/25 in SHEPD, well ahead of target. In SEPD, we’re continuing to increase our risk reduction activity through a planned ramp-up of delivery over the remainder of the Price Control.

Providing a valued and trusted service for our customers and communities

Customer service is a key priority. We’ve signed up our one millionth Priority Services customer this year, ahead of our 2028 target date. We’ll continue to build on this in the remaining years of the Price Control period. We’ve focused on how quickly we respond to customer contact; on the phone this now averages 31 seconds in SHEPD and 32 seconds in SEPD.

We’ve continued to build on progress from last year when it comes to customer service, meeting all targets in SHEPD. Customer service in SEPD is has been improving since the latter part of 2024/25, and has continued into 2025/26, in line with our comprehensive improvement plans enacted last year.

Accelerating progress towards a net zero world

Our nature-based solutions for carbon removal have delivered good progress, with funding awarded for woodland creation and peatland restoration projects. We’ve also reduced our overall road mileage by 26% and our overall Business Carbon Footprint by 22% from a 2019/20 base. In 2024/25, we launched our seagrass planting programme, in partnership with the Scottish Marine Environmental Enhancement Fund (SMEEF). This will help restore nature in Scotland’s seas, aiming to plant 14 hectares of seagrass in the remainder of RIIO-ED2. It’s notable that we’re the only Distribution Network Operator (DNO) to pursue Nature-based Solutions as a credible route to delivering multiple ecosystem service benefits, including carbon removals, to the benefit of the communities we serve and the environment across our licence areas.

Another area where we’ve made significant environmental progress is the removal of PCB-contaminated assets from our network, where we’re on track to meet our commitment. Building on a good start last year, we’re pleased with our progress but conscious of the remaining journey on this huge programme. We’re extremely proud of what we’ve delivered already through internal and external teamwork, working closely with other DNOs and our regulators showcasing true determination and collaboration at its best.

Since rolling out our award-winning Local Energy Net Zero Accelerator (LENZA) tool last year, we’ve now onboarded all local authorities in our licence areas to this platform. This means we’ve over 400 active users on this tool, showcasing its crucial role in building decarbonised plans from the bottom up and enabling local area energy planning.

We’ve built from strong foundations to demonstrate significant improvements across strategic planning and network development, network operation, and flexibility market development this year.



CHRIS BURCHELL
MANAGING DIRECTOR
SSEN DISTRIBUTION

Making a positive impact on society

We’re pleased to have built on the success of the PSR Community Toolkit launched in 2023/24 with the updated 2024/25 version introducing new features including a digital information screen and a quick-reference guide for operational teams.

Through the Powering Communities to Net Zero Fund, over £650,000 (baseline prices) was awarded to 76 community-led initiatives across central southern England and the north of Scotland. The fund aims to support local efforts in building climate resilience and accelerating the adoption of low-carbon technologies. This year, several projects focused on flood prevention, particularly in the Angus region, following severe flooding in Brechin caused by Storm Babet. 15 awards funded the creation or development of resilience hubs in local communities. Additionally, 16 local authority areas benefited, with support provided for 25 solar projects and 21 flood prevention schemes.

As we continue our journey through RIIO-ED2, we remain focused on delivering for our customers, communities, and the wider energy system. Our progress to date reflects the dedication of our teams and the strength of our strategy, but we know there is more to do. With a clear vision for the future and a strong foundation in place, we’re committed to driving further improvements for our customers, embracing innovation, driving growth, and preparing for the opportunities ahead in ED3 and beyond.



PERFORMANCE SNAPSHOT 2024/25

SCOTTISH HYDRO ELECTRIC POWER DISTRIBUTION (SHEPD)

Our Network

797,655 customers

served across our region

49,821km

is the combined network length of overhead lines and cables (including subsea)

Customer Satisfaction

9.23/10 Overall Broad Measure of Customer Satisfaction score

8.53/10 DSO Stakeholder Satisfaction survey

Reliability

Average number of interruptions per 100 customers per year

65.51

Customer Interruptions

Unweighted, including exceptional events

52.43

Customer Interruptions

Unweighted, excluding exceptional events

Average number of minutes a customer is off supply

120.95 mins

Customer Minutes Lost

Unweighted, including exceptional events

51.96 mins

Customer Minutes Lost

Unweighted, excluding exceptional events

Finance

£290.88m

Total 2024/25 Expenditure
Expenditure was 101% of our allowance

£122.46

Unrestricted Domestic
Tariff Charge
Excl. domestic customer rebate

Connections

8.89

Major Connections aggregate customer satisfaction score

Time to quote a connection offer

2.04 days

Single Connections

average no. of working days to provide an offer

3.19 days

2-4 Connections

average no. of working days to provide an offer

Time to connect following acceptance of a connection offer

14.49 days

Single Connections

average no. of working days following acceptance

13.87 days

2-4 Connections

average no. of working days following acceptance

4,137

Number of completed connections

SOUTHERN ELECTRIC POWER DISTRIBUTION (SEPD)

Our Network

3,150,112 customers

served across our region

79,171km

is the combined network length of overhead lines and cables (including subsea)

Customer Satisfaction

8.39/10 Overall Broad Measure of Customer Satisfaction score

7.53/10 DSO Stakeholder Satisfaction survey

Reliability

Average number of interruptions per 100 customers per year

43.86

Customer Interruptions

Including exceptional events

38.89

Customer Interruptions

Excluding exceptional events

Average number of minutes a customer is off supply

56.42 mins

Customer Minutes Lost

Including exceptional events

43.24 mins

Customer Minutes Lost

Excluding exceptional events

Finance

£520.15m

Total 2024/25 Expenditure
Expenditure was 102% of our allowance

£110.01

Unrestricted Domestic
Tariff Charge
Excl. domestic customer rebate

Connections

7.92

Major Connections aggregate customer satisfaction score

Time to quote a connection offer

2.39 days

Single Connections

average no. of working days to provide an offer

6.33 days

2-4 Connections

average no. of working days to provide an offer

Time to connect following acceptance of a connection offer

31.33 days

Single Connections

average no. of working days following acceptance

48.66 days

2-4 Connections

average no. of working days following acceptance

24,131

Number of completed connections



PERFORMANCE SNAPSHOT 2024/25

Community Outreach

We've continued to help local authorities develop their future plans through our Local Energy Net Zero Accelerator (LENZA) tool. We now have over 400 active users on the system; it's been used to inform energy efficiency and community generation projects. Our engagement through LENZA has been recognised by industry and we were awarded a prestigious Utility Week award for best net zero engagement. We're now building on this success to use LENZA to help develop local area energy plans for our local authorities.

Vulnerability

We refreshed our customer vulnerability strategy in October 2024, providing updates on our plan to meet our RIIO-ED2 Commitments to support customers in vulnerable situations. Our priority for 2024/25 was growing our Priority Service Register (PSR) at a sustainable rate, ensuring the services we provide were scalable for the growing number of households registered.

We worked with our partners to ensure the services we provided to customers in fuel poverty and our Low Carbon Transition (LCT) programme remained fit for purpose and provided the vital support for those who need it. Following the initial run of Personal Resilience Plans, we worked with experts from charities, health and social care partnerships and those with lived experience to build a suite of advice for before, during and after a power cut.

We also worked with our IT teams to build a process which would provide the right advice, based on PSR needs, to each customer. We also worked with battery providers to provide batteries to 20 customers to test how these batteries would be used, and how it helped them during a power cut, over a six-month period. Following this initial roll out which has helped inform our procurement exercise, the wider rollout is expected in 2025/2026.

Safety

Immersive training

This year, we delivered our immersive safety training to around 3,000 people, including 300 contract partners, bringing total attendance to over 3,700 in the past two years. The training highlights how serious incidents can occur and what we can all do, regardless of our role, to prevent them. It continues to be well received and highly impactful. Next year, we aim to increase contract partner participation and will continue enrolling all new SSEN Distribution entrants.

Safety performance

This year we saw a slight increase in the total number of people hurt, with 33 people not making it home safe during the year. This increase is not a reflection of where we wanted to be at the start of the year. It should, however, be taken in the context of the volume of work we've delivered: in 2024/25 we worked 25% more hours than the previous year, meaning our injury rate fell by around 10% from the previous year. We also saw a sharp fall in the number of high potential events and injuries to contract partners. While we saw an increase in our own people getting hurt, a large part of that increase arose from events where we had limited influence or control such as slips, trips and falls, as well as animal and insect bites. As a result, we experienced more lower severity injuries than before.

Driving performance

Our driving performance has been excellent this year. We've seen a 9% fall in our most serious collision events against a backdrop of an additional 3.8 million more miles being driven. This has resulted in a 20% fall in our collision rate, which is the lowest on record.

Public safety performance

This year saw our best-ever public safety record, with only 4 recorded injuries all year. This is testament to all the hard work colleagues across the business do to promote safety and raise the awareness of risks faced by the public by their activities close to our distribution network. In total, we've made direct contact with 15,446 members of the public during the year. We also targeted high-risk groups amongst the communities we serve, such as agriculture and construction, with relevant communications and guidance.

Environmental impact

Our Environmental Action Plan (EAP) continues to drive decarbonisation and improved environmental performance, with a focus on air quality, carbon emissions reduction and tackling pollution prevention. We're on track to achieve our Science-Based Targets, where we're aiming for a 35% carbon footprint reduction by 2028. While operational activity has grown – meaning we're using our fleet more – we're adopting Hydrotreated Vegetable Oil (HVO) for suitable vehicles as a transition fuel and are working with manufacturers and suppliers to find longer-term solutions to electrify our fleet. Our mobile diesel generation emissions are down, with a 63.6% drop in Scope 1 emissions in 2024/25. Managing losses on our network remains a priority, with a calculated cumulative loss saving of 21,943 MWh over RIIO-ED2. Our SF₆ performance is behind where we would like it to be, but we've stood up a taskforce to ensure this gets back on track and in line with our commitments, this is a strategic priority for 2025/26. Our nature-based solutions for carbon removals have seen good progress, with funding awarded for woodland creation and peatland restoration projects.

Our partnership with the Scottish Marine Environmental Enhancement Fund (SMEEF) has established a strong pathway to achieve Scotland's most comprehensive seagrass planting programme. 2024/25 was also fundamental in us improving our systems and technology and we're excited to launch a few reporting tools next year. Despite the lack of funding allowances through this price control to deliver our Fluid Filled Cable phase-out plans, our efforts to reduce leakage from these cables continues, with a commitment to replace at least 20.9km of cable and ensure cable tagging is continued to manage this potential pollution risk that we know is important to our consumers. Significant progress has also been made in removing PCB-contaminated assets from our network and we're on track to meet the legislative requirements. We've also started to underground overhead lines in designated sensitive landscapes to improve visual amenity, with construction already underway or in the pipeline and we'll see that reflected in next year's delivery numbers. Overall, our RIIO-ED2 EAP, supported by our Climate Resilience Strategy and Sustainability Strategy, will continue to drive continuous improvement in our environmental and sustainability ambitions.



PERFORMANCE SNAPSHOT 2024/25



Innovation

Deploying innovation

We secured £5.74m in additional allowances through the Storm Arwen reopener to deploy proven innovation on our network. We anticipate installing High Voltage Feeder Monitoring at a significant number of locations across our two networks. These devices are expected to help us locate faults more quickly and accurately, potentially reducing the time spent identifying issues and improving service continuity for customers. Early estimates suggest this could deliver substantial customer benefits over time.

We'll also be able to provide Smart Hammers to all our pole inspectors and linesmen. These devices allow us to test the condition of wood poles on our network in an objective and scientific manner. This will give more accurate asset condition assessments, reduce faults and improve safety for our colleagues. Based on initial forecasts, this initiative could deliver meaningful benefits over the next decade.

Equal LCT

The Equal Low Carbon Technology (LCT) project received funding for a Strategic Innovation Fund (SIF) Alpha phase. This project, following on from an initial Network Innovation Allowance project, is looking at ways to reduce future peak heat demand on the network by aligning energy efficiency measures with heat pumps installations so that smaller heat pumps can be installed. The project will examine whether this demand reduction can be considered as a form of flexibility and if so to what degree DNOs can pay for it, reducing the barriers to heat pump uptake for consumers.

Nature for Networks

The Nature 4 Networks project is approaching the conclusion of its second phase. This groundbreaking project continues to explore the use of nature-based solutions instead of traditional carbon intensive engineering to protect our network while reducing emissions and improving biodiversity. The Alpha phase of the project this year has explored four specific nature-based solutions, conducted significant stakeholder engagement on these and identified sites to trial these solutions in the next phase. It also evaluated the number of potential opportunities for deployment across our network.



Major Connections

We scored an average 8.4 under the Major Connections Incentive (MCI) Financial Incentive in 2024/25, which was a significant improvement on the previous year. As the move for new electricity connections continues to grow to aid Great Britain's journey to decarbonisation, we've taken key steps to ensure that our Connections business will provide the support for all our customers on their connection journey. These include:

- We've enhanced access to system planning engineers at pre-application surgeries to give customers an early indication of project viability.
- We strengthened our frontline application teams by launching a new enhanced customer service training, including a new coaching and moderating framework and customer-focused tools designed to support meaningful conversations throughout the major connections journey.
- We've also focused on timelines for customers to receive our quotes and have reduced our average days to quote across most Major Connections market segments.

We've improvement strategies in place for the benefit of customers. Our Major Connections Annual report details the level of service which we provided to all our Major Connections customers in 2024/25. This was captured through the Major Connections Customer Satisfaction Survey (MCCSS). The report also highlights actions taken to improve this service throughout RII0-ED2. The report is available [here](#) or on our website¹.

¹ <https://www.ssen.co.uk/globalassets/library/major-connections-incentive/ssen-distribution-mcar-2025.pdf>



COMMITMENTS SUMMARY

We're on track to deliver against our overall RIIO-ED2 commitments.

We're 'on track' for 46 out of the 53 commitments (87%) after our second year of delivery. 2024/25 has seen us build on the strong foundations established in the first year. We've continued to make tangible progress in delivering against our commitments, with a clear focus on improving outcomes for our customers and communities. The work undertaken so far is enabling us to drive forward with confidence, and we remain committed to transparency, innovation, and delivering long-term value throughout the remainder of the price control period.

For three of our commitments (6%), we're ahead of target for delivery. These cover key areas of our business plan, including signing up our supply chain to our Sustainable Supplier Code, reducing emissions by replacing mobile generators or using alternative lower carbon fuel types to minimise our environmental impact, and making strides in reaching our vulnerable customers and championing their needs throughout the business. We're proud of what we've delivered in these areas, and will expand on this over the remaining years.

There are areas where we've further work to do to bring us back on track as we progress through RIIO-ED2. Our interruptions performance, and the knock-on impact on our Guaranteed Standards of Performance, is an area we're focusing on. We have a dedicated programme of investment targeted at improving particular performance areas, and we expect these will realise tangible benefits for us and our customers over the course of RIIO-ED2.

We've further work to do on delivering the reduction of SF₆ emissions. We're actively working with suppliers to develop alternatives and working internally to improve monitoring to track the poorest performing assets. We also have agreements in place with our supply chain partners to accelerate leak investigation and repairs. Similarly, we're putting measures in place to improve our performance on removing redundant assets from our unoccupied sites. While we've been focusing on ensuring the underlying data is correct to deliver this work, we continue to guarantee all our sites are safe, and do not present a risk to the public.

We'll build on the positive steps taken this year, and continue to deliver against our business plan commitments over the remaining course of RIIO-ED2.



87%
ON TRACK

7%
BEHIND TARGET

6%
AHEAD OF TARGET



DELIVERING A
SAFE, RESILIENT AND
RESPONSIVE NETWORK
FOR ALL OUR CUSTOMERS

75%
ON TRACK

25%
BEHIND TARGET

0%
AHEAD OF TARGET



PROVIDING A VALUED
AND TRUSTED SERVICE
FOR OUR CUSTOMERS
AND COMMUNITIES

93%
ON TRACK

0%
BEHIND TARGET

7%
AHEAD OF TARGET



ACCELERATING
PROGRESS TOWARDS
A NET ZERO WORLD

88%
ON TRACK

4%
BEHIND TARGET

8%
AHEAD OF TARGET



1: DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK

Our customers need us to deliver a safe and resilient network that meets their needs and supports the greater electrification of heat and transport.

We will therefore invest in the infrastructure and technology that provides a platform for this as consumer energy use changes over the coming years.



1: DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK



Produce and report annually on our Climate Resilience Strategy. (RR1)

In October 2024, we detailed our progress on our climate resilience strategy in our Annual Environmental Report (AER) and will be doing the same in our October 2025 AER. The reports can be found at: ssen.co.uk/about-ssen/library/environment-reports-document-library/



Intervene in our network assets with the highest probability of failure, reducing longer-term risk by between 17% and 19%, in SEPD, and by around 8% in SHEPD, relative to a future without intervention. (RR2)

Utilising the Network Asset Risk Metrics methodology, our Network Risk is based on the health and criticality of our assets.

In SHEPD, we continue to focus on removing non-compliant assets, and have therefore increased the volume of Overhead Line poles replaced during 2024/25. This is coupled with the completion of strategic projects that we started in the first year of RIIO-ED2. Overall, this means cumulatively we've delivered a 3.7% risk reduction across our network, putting us well on track to meet our target of reducing risk on the network by around 8% by 2028.

In SEPD, our delivery portfolio is ramping up over the course of RIIO-ED2. The delivery model was reprofiled during setup, which has impacted our delivery performance over the first two years. This was mainly driven by external influences due to contractor resources, availability and standing up to meet the contract demand. We've delivered a 4.7% risk reduction over 2023/24 and 2024/25, which provides a suitable platform to build the remaining RIIO-ED2 portfolio delivery performance. The RIIO-ED2 Portfolio is fully in place to meet the desired Monetised Target Reduction of 17-19% by the end of the price control.



Meet our targets under the IIS incentive. This will likely reduce the average frequency of unplanned power interruptions affecting our customers across our network by at least 7% and 9% respectively, by 2028. (RR3)

In SHEPD we've outperformed our Customer Interruptions (CI) target by 10%, driven by improvements we've made to a range of performance aspects. Our investment in network automation has had a positive impact on over 1 million customers, contributing to an overall reduction in CIs. Delivering Customer Minutes Lost (CML) improvements in our SHEPD licence area in 2024/25 has been difficult, affected by a number of storms during the year, and we missed our target (43.62) by around 19%. However, we did improve our performance by 0.41% compared with 2023/24. We continue to target performance improvements and investment that will help make the network more reliable in the face of climate change.

In SEPD over the past year, we've delivered a 20% improvement in Customer Interruptions (CI) to 2023/24, and we outperformed the target set by Ofgem. Whilst we did not meet our Customer Minutes Lost (CML) target, we delivered a 17% reduction compared to 2023/24 in the average duration of unplanned outages. We remain focussed on reducing CMLs through a combination of strengthening network resilience through targeted investment and enhanced network flexibility through the installation of additional network automation, both at high voltage (HV) and low voltage (LV) levels, as well as increasing the numbers of authorised persons on our network who can carry out switching in response to network faults.





1: DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK



Meet our obligations under GSoPs and minimise the number of customers experiencing an outage greater than 12 hours. (RR5)

SHEPD Guaranteed Standards of Performance (GSoP) failures and payments increased in 2024/25 compared to 2023/24. This was mainly caused by Storm Éowyn which was a Category 2 Exceptional Event, where the fault volumes were over 60 times the normal daily average; almost 100,000 customers were affected. Due to widespread impact of the storm, initial 48-hour failures increased by 596% and additional 6 hour failures increased by 919%. SHEPD continues to ensure customers affected by 12 hour failures during normal weather conditions are at minimal levels.

SEPD GSoP performance saw improvement in 2023/24. Notably, the number of customers affected by power cuts which were not caused by problems on our network due to severe weather (EGS2 events) fell by 14% compared to the previous year. While this is a positive step forward, we acknowledge that further improvement is needed. To this end, a dedicated project is currently underway to drive continued progress in the upcoming year.



Deliver our Cyber Resilience IT and OT strategy and continually monitor the success of our delivery. We will refresh plans annually in line with identified risks and opportunities. (RR6)

We continue to deliver targeted cyber risk improvements across the IT and OT estate through our established Cyber Resilience Programme. This is delivering mitigations to identified risks to improve the overall resilience of our network information systems. We've reduced risk by delivering priority scope items over the last reporting period, and we conduct an annual risk assessment to track continuous improvement. The programme is accelerating delivery through the use of strategic partnerships to mitigate the challenge of resource constraints.



Improve the network performance for at least 75% of worst- served customers by 2028. (RR4)

In SHEPD, we're on track to deliver our Worst Served Customer (WSC) commitments. 10 of our projects are currently in the refinement stage with the design team and the remainder in assessment. As with the nature of WSC criteria, these customers are often in remote areas of our network or on islands, but we're still committed to reaching our target. We will continue to review the WSC network performance data to ensure we maintain the WSC methodology.

In SEPD, we've 16 projects in our investment portfolio which will drive the desired improvement in network performance for 75% of our WSC population by 2028. Five projects are in execution with three technically completed, and the remainder in refinement. The projects in the 'refinement' stage, are planned to be delivered in the last three years of RIIO-ED2. We remain on track to deliver this commitment by 2028.

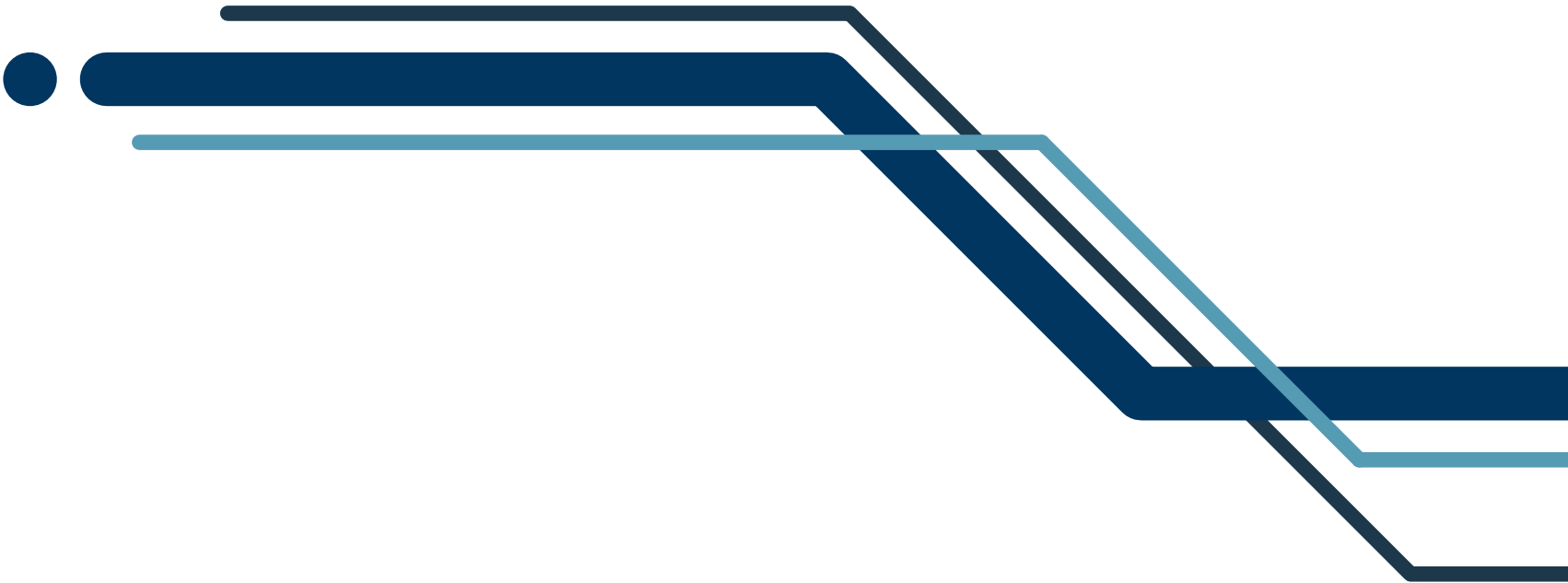


Continue to meet all safety-related legal requirements (SAF1)

In SHEPD, we continue to remove clearance issues efficiently by way of the eight-year cycle Whole Circuit Approach. Many clearances have been identified as no action required, through the use of LiDAR (Light Detection and Ranging). We will carry out a new LiDAR flight of the whole network in 2025/26, and we expect this to bring improved data on our network. Any high priority clearances will be addressed as a matter of priority out with the Whole Circuit Approach.

For Tree Cutting in 2024/25 we cut over a quarter of our SHEPD network, in line with our four-year policy cycle.

We continue to develop our Rising and Lateral Mains programme. The Pre-Qualification Questionnaire (PQQ) is completed and Invitation To Tender (ITT) is ongoing. Tenders closed in September 2025 with award expected in October 2025. We expect all agreed inspections to be completed during the RIIO-ED2 period with required interventions not known until inspections are completed.





1: DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK



Extend our engagement on safety around our assets, reaching 50,000 partners and members of our communities by 2028. (SAF2)

In 2024/25, we directly engaged with 15,446 people for the purposes of raising safety around our assets. 9,267 of these were face-to-face engagements with a further reach of 6,179 engagements through our website, where people directly accessed specific safety topic materials and information.

We also ran a Farm Safety Campaign on radio, print and digital media to further target specific messaging to the agricultural community in our network areas. This generated over 2.8m impressions across digital and over 12,000 clicks on the website.

Whilst it's not the intended goal of this campaign, we can see that 18 Priority Service Sign Ups have also been captured through this activity, attributed to the paid media activity that we were running on Meta. We'll continue to build on these routes of engagement throughout the remainder of RIIO-ED2.



Aim to remove redundant equipment from our unoccupied sites within 3 months to prevent risk to the public from the start of RIIO-ED2. (SAF3)

Our Control Room teams, alongside our region-specific teams, have identified the sites where customers no longer require an electricity supply. Our approach to the removal of assets ensures we're taking the right approach to dealing with these sites through a range of measures, which include enhanced inspections, robust risk assessments and in some cases an expedited removal of the plant. We continue to ensure all our sites are safe and do not present a risk to the public.



Replacement or augmentation of 8 subsea cables with the greatest needs case (SI1)

To date we've delivered two of our planned submarine cable projects. These were Mainland Orkney - Shapinsay and Jura – Islay, replacing over 4km of cable. Detailed design and consents for four cable installations to be delivered in 2025/26 have also been progressed. The final two projects, which we are targeting delivery in 2026/27, are progressing well and we expect to fully meet this commitment by the end of the RIIO-ED2 period.



Maintaining and operating standby generation for island communities at our seven island power stations. (SI3)

The project to provide additional capacity at Arnish Power Station is ongoing. At the end of 2024/25, we await final approval to commence with the engine procurement exercise, on completion of the network overhead line upgrade study that is required to export the power.

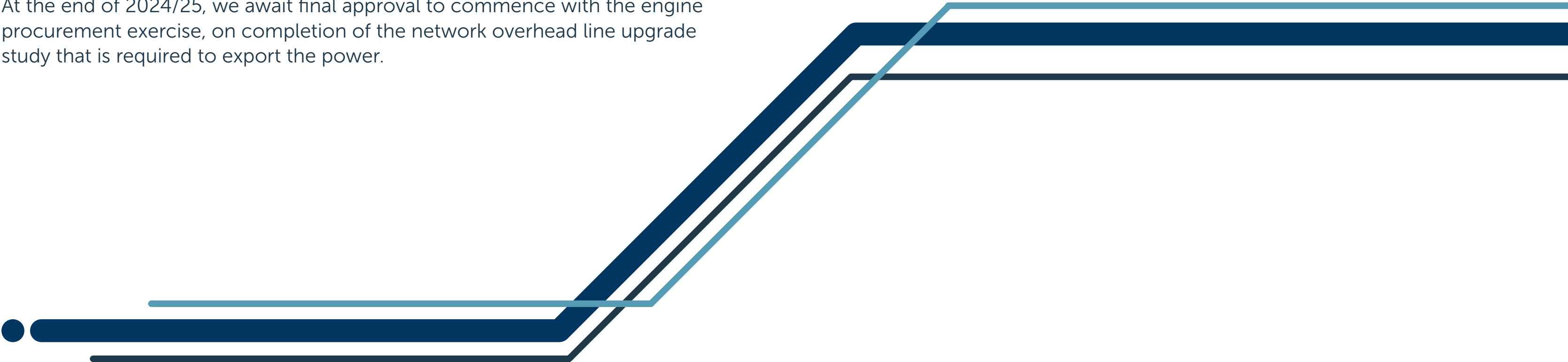


Continued maintenance of Lerwick Power Station. (SI4)

We continue to ensure that Lerwick Power Station (LPS) is maintained to ensure supply to customers.

At the end of 2024/25, the new engine project was progressing well, with the installation of the new engines planned for Summer/Autumn 2025, with commissioning of one engine in Autumn/Winter 2025, and Spring/Summer 2026 for the second and third engines.

The transition to decarbonisation is ongoing with permits variations and operational focus on the future role of LPS as a standby station a priority.





2: PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES

We want to provide a high-quality, value-creating and trusted service for our customers and communities that evolves with their needs and expectations.

We will therefore invest in the infrastructure and technology that provides a platform for this as consumer energy use changes over the coming years.



2: PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES



Maintain/improve our industry-leading 9.3 digital satisfaction score. (CSP2)

Our digital customer satisfaction performance has improved this year, to 9.23 compared to 8.76 last year. This has been delivered through our robust improvement plans, including enhancements to our communications to customers, redesigned processes and delivery of new customer-facing digital products.

We remain committed to our 9.3 target by the end of RIIO-ED2, and have further improvements as part of our transformation programme expected to launch in the coming year.



Improve average speed of response to 20 seconds on the telephone for power cuts, and to five minutes on social media. (CSP3)

We improved our average speed of response to telephone calls for power cuts to 31 seconds in SHEPD and 32 seconds in SEPD this year. We continue to work on reducing this to get to 20 seconds by end of RIIO-ED2. We've begun the process of implementing a new cloud-based telephony system, which will help achieve this goal by the end of the price control.

Building on the success of last year, at the end of 2024/25 we finished ahead of target for our average speed of response on social media, taking an average of two minutes and twenty seconds to respond, significantly outperforming our five minutes target.



Meet our targets through our plan and further strive to reduce complaints by 5%, resolve 75% of complaints at 1st contact, 90% within 1 day, and 99% within 1 month by 2028. (CSP4)

In both licence areas, we outperformed against our target to resolve 75% of complaints at first contact, and are ahead of the target in both SHEPD and SEPD. We continue to work with staff in our Customer Contact Centre to support them in delivering on this target, and we track and monitor performance regularly.

Similarly, we're performing well against our target to resolve 90% of complaints within day+1 and 99% within 31 days. While complaint volumes are higher than we would like, we continue to work to resolve them within these timescales. Our overall complaints metric score is below the target of 2.88, scoring 1.50 in SEPD and 1.25 in SHEPD, highlighting our strong performance in this area for both networks.

We remain committed to reducing the volume of customer complaints by 5% by the end of RIIO-ED2. To achieve this, we've implemented plans aimed at improving the overall customer experience. These initiatives are designed to deliver measurable improvements in service quality and responsiveness.

Alongside these efforts, we're making necessary investments in our network infrastructure to enhance underlying performance. These upgrades will support a more reliable and resilient service, contributing to a better experience for our customers. We anticipate that these combined actions will lead to a sustained improvement in performance throughout the RIIO-ED2 period.



Continue to meet our obligations and align with best practice. In meeting these obligations, enable digitalisation across our plan. Use data in a way that meets the expectations and intent of the Data Best Practice Guidance. (ITOT1)

Our approach aligns with Ofgem's Data Best Practice Principles, emphasising transparency, innovation, and stakeholder engagement. Key principles addressed:

Principle 1 and 6 – Stakeholder engagement identified four user types, helping tailor datasets for relevance and discoverability.

Principles 4 and 5 – Since December 2024, we hosted four Data Surgeries with over 200 attendees improving data awareness and feedback. Three sessions are publicly accessible to support transparency.

Principle 8 – We're enhancing interoperability between substation and smart meter datasets, with delivery expected by end of 2025. This supports seamless data integration for planning and innovation.

We've also developed logical data models for consistent terminology and strengthened platform security for personally identifiable information (PII).



Continue to meet our obligations and align with best practice. In meeting these obligations, enable digitalisation across our plan. Publish and regularly review our Digitalisation Strategy and Action Plan. (ITOT2)

We refreshed our digital strategy in March 2025 to reflect major developments across SSEN Distribution, including the mobilisation of programmes like The Bridge and the establishment of Centres of Excellence. The updated digital action plans – published in June and December highlight delivery progress, new services, and how success is measured, with a continued focus on transparency, stakeholder engagement, and supporting communities towards decarbonisation. We updated our collaboration plan based on feedback to reinforce joint learning and strategic alignment across our stakeholders.



2: PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES



Meet our obligations to treat all customers fairly, including those in vulnerable situations. Put in place a vulnerability strategy, to be reviewed and refreshed annually and our performance incentivised. (V1)

Every year we speak to customers and stakeholders to ensure the targets within our commitments continue to deliver value for the changing needs of the communities we serve. This means we refresh our vulnerability strategy each year giving us an invaluable opportunity to review the benefits of our work, listen to feedback and make important changes. This flexible approach means we can reach higher and be better for those that need our help the most. The annual refresh was published on our website in October 2024.



Introduce a shareholder-financed £500,000 annual ‘Powering Communities to Net Zero’ fund to support LCT accessibility initiatives for those in vulnerable situations, and community-led environmental and resilience schemes. (V11)

In 2024/25 we built on the establishment of the fund by awarding over £650,000 (baseline prices) to 76 community projects across the north of Scotland and central southern England. These included 43 projects focused on resilience, and 29 projects supporting low carbon technologies. The remaining four projects were awarded funds from both categories. This funding is helping communities both to better withstand the impacts of storms and power outages, and also to reduce their carbon emissions. Applications were received from across both licence areas, reflecting the strong interest from communities in creating a more sustainable and resilient future.



Reach over 1 million Priority Services customers by 2028, refreshing our data every 24 months. (V2)

In this year we saw our biggest increase in the number of households registered for Priority Services, with 112,915 new registrations. These new registrations take the total number of households registered to 1,018,295, meaning we’ve met our commitment to reach over 1 million customers three years early. Whilst our services have grown, we know there is still more to do with an estimate of over 500k households eligible but not yet registered. Working with experts to carry out research and analyse social data, we aim to increase the numbers signed up further, ensuring more customers receive the support they need. In doing so, we aim to:

- Raise awareness of Priority Services.
- Improve the accessibility of our service so that no customer is left behind.
- Ensure the data we hold is up to date.
- Provide the right support to customers during a power cut.

To meet these commitments, we:

- Conduct regular gap analysis on our Priority Services data to ensure we’re putting our focus where it is needed.
- Continue to promote signing up in our communities, focusing on our main gaps.
- Promote Priority Services, the-psr.co.uk and psrscotland.com at every opportunity.

In March 2024, we commissioned research with Create Clarity to better understand how to engage our Priority Services audience. The insights gathered went onto be embedded into the summer and winter campaigns and for the first time a social media campaign lead by paid for Influencer content all driving measurable improvements in our campaign KPIs. In 2024/25 we proactively contacted over 339,000 Priority Services customers to ensure we hold the right data. We also receive updates on customers data through our data sharing with energy suppliers and water companies. Through our data cleanse process, proactive contact from customers and updates received from suppliers and water companies, we’ve successfully refreshed 100% of our data since April 2023, including 57,139 PSR 1+ customers in 2024/25.



Proactively provide Priority Services customers with Personal Resilience Plans containing specific advice tailored to customers’ individual needs, helping them know what to do during power cuts. (V10)

Following the 2024 rollout of Power Cut Plans for customers on kidney dialysis, a broader suite of tailored advice was developed for each Priority Services needs code. This was done in collaboration with healthcare professionals, charities, and people with lived experience to ensure relevance and accuracy. Communications, including customer letters, were redesigned with accessibility and inclusivity in mind, using the Better Words methodology and support from communication experts at Better Company. Internal processes were established to ensure these letters could be offered to all new Priority Services customers. Since launching in April, the Power Cut Plans have reached over 100,000 customers - well ahead of schedule - highlighting the success of the Priority Services team and related initiatives.

A six-month battery trial was launched in 2024 with over 20 PSR1+ customers who had been significantly affected by storms or planned outages. Participants were allowed to keep the batteries, and feedback has been overwhelmingly positive. Customers reported feeling more secure and empowered, with some describing the batteries as lifesavers. These insights are now informing procurement strategies, and engagement with battery manufacturers is underway to identify the most suitable products for customer needs.



2: PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES



Improve PSR Customer Satisfaction scores to 9.4. (V3)

We're ahead of our target position for SHEPD for 2024/25, scoring 9.28. We've maintained our score from last year and continue to work on improving this towards 9.4 by end of RIIO-ED2. This reflects our activities to ensure we provide enhanced support to our most vulnerable customers. We've established a generous welfare provisions framework, supported by dedicated teams providing around the clock support to our customers, all of which is targeted at ensuring we provide a high level of customer satisfaction for our Priority Services customers.

For SEPD, we've improved on this score from last year where we ended 8.62. This year we scored 8.84 and will continue to ensure plans are in place to head towards 9.4 by end of RIIO-ED2.



By 2028 support 50,000 households (equivalent to 114,000 customers) experiencing fuel poverty. (V4)

As a result of creating a two-year framework we've seen a steady increase in the volume of households helped. Partners have been able to retain staff who, have supported more households by attending training, committing to the partner and being invested. Partners having their funding confirmed swiftly has ensured there is no delay in programmes starting, enabling more customers to be helped. We meet with them regularly to review their support and make changes where necessary enhancing what they can offer customers.

Joint partnerships and collaborations between other partners and utilities has ensured a higher level of trust within communities and an increased awareness of what support is available.



By 2028, deliver 5,000 energy efficiency packs to fuel-poor households, and 5,000 power cut resilience packs to PSR customers, tailored to their needs. (V9)

We target customers already interested in saving money so we can ensure our packs are put to good use. With this in mind we have agreed to increase the energy efficiency items in the YES Energy Solutions packs so customers can insulate more doors and windows in their home free of charge. By collaborating with YES, their buying power and infrastructure means our budget will go further and not add carbon emissions by creating a new distribution process. The groundwork has been done to ensure we have the right product in place for 2025/26.

Personal support packs were developed to provide vulnerable customers with emergency light, power, and warmth during power cuts. These essential packs are designed to offer immediate comfort and reassurance in difficult situations, helping customers stay safe and supported. By ensuring our regional customer facing colleagues are equipped with these resources, we can deliver help quickly and effectively when it matters most. The packs will be purchased and assembled in the first two quarters of 2025/26.



Train 30 employees to the City & Guilds energy efficiency qualification and introduce 200 Vulnerability Champions across the business from the start of ED2. (V5)

The City & Guild Level 3 energy efficiency course this year had 9 colleagues pass with 10 continuing their study into 2025/26. A challenging course for those balancing work, home and study, so we're proud of our graduates so far. Hitting our target is possible, but the choice of course and employees we target may have to evolve to ensure the course is relevant to customers and job roles.

Vulnerability Champions challenge the business to act inclusively, helping to shape services that meet all customers' needs. This year, the group grew from 48 to 73 members and made a meaningful impact across the organisation. Key highlights include:

- Supporting company events and SSE Belonging Communities.
- Hosting drop-in sessions with partners like Carers UK and YES Energy Solutions.
- Engaging in call listening with the Customer Contact Centre.
- Promoting the Community Toolkit and running an internal poster competition.
- Raising awareness of vulnerability and encouraging a culture of inclusion within their teams.



2: PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES



Meet our targets through our plan and strive to achieve a score of at least 9.2 across all categories by the end of RIIO-ED2. (CSP1)

Interruptions

Both licence areas improved performance compared with 2023/24, with SHEPD increasing to 9.18 from 9.15, and SEPD increasing to 8.65 from 8.58. This year we've delivered several improvements to drive up performance. These include improved updates during a power cut, a redesigned planned outage process providing customers improved communication before, during and after an outage, and a redesigned telephony journey to improve the ease of contact for our customers. We've seen the effect of these measures in the final quarter of 2024/25, with SEPD increasing its score to 8.75. This sets a good foundation for 2025/26.

Connections

Both licence areas recorded a slight decrease in scores from 2023/24, but SHEPD remained ahead of the Ofgem target for 2024/25. Connections performance has remained challenging, with external factors such as complex connections requests, price increases and capacity constraints all contributing towards difficult conversations with customers which drives down satisfaction. Our connections performance has been the core focus of our Customer Service Improvement Programme. Over the year we've made enhancements to the customer journey including new quote letters which better explain the cost and process, redesigned online application processes, all employee training programmes on customer service, increased coaching support, conversation guides and redesigned processes to streamline the journey. As a result of the improvements, Q4 recorded a satisfaction score of 8.7 in SEPD, a significant increase from the previous three quarters throughout the year. This trend continues to hold stable and is increasing as further improvements start to make an impact for customers.

General Enquiries

SHEPD outperformed relative to the Ofgem target in 2024/25 and increased its performance to 9.32 from 9.25 in the previous year. SEPD underperformed relative to the Ofgem target in 2024/25, performance was 8.78, a decrease from the previous years score of 8.91. SEPD General Enquiries started the year with a strong performance above target at 9.07 for Q1, however, over the summer months, increased volumes led to increased lead times for work, and this drove down satisfaction scores. This was tackled by improving utilisation of our engineering resources and contractor staff, and at the end of the year, our lead times are back to a positive position. This is being realised in our customer satisfaction performance. Additionally, in 2024/25, we've improved aspects of the journey including the application process for a general enquiries job.

Areas of Focus for Interruptions /Priority Service Customers

We continued the use of 'Better Words' to help us communicate better with customers. The use of clear, straightforward language has made messages to customers more helpful. The 'Better Words' methodology ensures communications are easy to understand, which has improved customer satisfaction in unplanned outages.

We have maintained high accessibility standards and have expanded these efforts across all digital products so that accessibility is embedded into every customer interaction. As a result, we have risen from being the fifth highest-performing website in the utility sector in 2022 to being the top-ranked site across the UK and Ireland. The Recite Me toolbar offers users personalised accessibility and language options. The addition of informative videos helps customers to understand what to expect during planned power cuts. These were developed in close consultation with the Inclusive Service Panel.





3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD

We want to accelerate progress towards, and enable all customers to participate in, a net zero world.

It is essential that we demonstrate that markets and the role of flexibility will mean different things in different communities. However, they must be operated in a fair and transparent way that benefit consumers. We will do this by applying whole system thinking in a highly collaborative way to create and enable smart, flexible, local energy networks. This includes acting as a neutral market facilitator with the highest levels of transparency.



3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD



Define a DSO strategy that will be reviewed and refreshed annually with an action plan to deliver against it, including changes to IT systems, process and people. (DSO1)

We published our DSO Action Plan for 2024/25 in October 2024. The plan is based on stakeholder insight and detailed analysis of the activities we’ve prioritised to maximise benefits. The report can found: ssen.co.uk/globalassets/about-us/dso/publication--reports/ssen-dso-action-plan-2024



Improve the end-to-end process (application, design, quote and connection) for all our connections, and introduce automated quotation services for domestic LCT and minor connections customers by 2025. (LC3)

In 2024/25, we supported successful customer journeys from the application stage by updating our Interactive Voice Response (IVR) to make it easier for customers to reach the right teams quickly. We strengthened our frontline teams by launching new enhanced customer service training to support connections customers. We also refreshed key connections pages on our website to improve clarity and user experience. To enhance accessibility, we introduced dedicated additional phone numbers for new teams in our application department, enabling customers to speak directly with the relevant teams. Within Delivery, our internal Large Connections Delivery teams have driven improvements in productivity and performance by further optimising the delivery of key activities. As a result, our consenting team achieved a 45% improvement in the time it takes to secure land rights. This year we laid the foundations for our customer Self-Serve tool which will enable customers to design and apply for their own Minor Connection. We plan to extend this tool to other areas including service alterations in 2025/26.



Target 5GW of Constrained Managed Zones (Flexibility Services) across multiple service types, and grow our flexible connections to 3.7GW of capacity across 35 zones by 2028. (DSO5)

Constraint Management Zones
As part of an Ofgem-led working group looking at how to ensure that the flexibility services offered by all DNOs are comparable, we have led the work to develop metrics around flexibility services, known as Regularly Reported Evidence 7: Flexibility Deferral. To make sure we are reporting outcomes on a consistent basis with this working group, we have rebased our original RIIO-ED2 Flexibility Service target, and how we count the flexibility services we have procured. On this basis, our aim over the course of RIIO-ED2 is to procure 2GW of flexibility services. To date, we have bought in 550MW in 2023/24, and 128MW in 2024/25, and will build on this over the remainder of RIIO-ED2.

Flexible Connections
In 2023/24 we connected 535MW of flexible connections and in 2024/25 we added 43.7MW.



Ready the network for net zero, consistent with a total of 8GW of distributed energy resource (including windfarms, solar, and energy storage) connecting by 2028. (LC2)

The current trajectory forecast from our Embedded Capacity Register shows that we’re on track to exceed the target of 8GW of distributed energy resource connecting to our network by 2028. In 2023/24, 6.16GW connected to our network. As noted in our progress against LC1, we’re working to ensure that our investment meets 2030 targets, and our DSO Load Related Expenditure programme is being developed to support that.



Ready the network for net zero, consistent with up to 1.3m Electric Vehicles and up to 800,000 heat pumps connecting by 2028. (LC1)

Through our planning for net zero and delivery of our business plan, we are ensuring our network is ready to accommodate Low Carbon Technology (LCTs), as and when they look to connect to our network. At this point in RIIO-ED2, we have seen a slower uptake in the number of EV charge installations than we had anticipated, which is broadly in line with the current national view. We track EV registrations through the government portal, to give us a view of the EV connections to our network. However, we have seen a surge in accepted larger connections which has eroded headroom on the network. For heat pumps connecting to our network, these volumes are broadly in line with our annual target. We have seen a slight fall from 2020 Distribution Future Energy Scenarios (DFES), which is in line with adoption seen nationally. From a deliverability perspective, we are working to ensure that our investment meets 2030 targets, and we are developing a DSO Load Related Expenditure programme to support that.





3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD



Deliver high-quality services to our major connections customers achieving a customer satisfaction of 9/10 or above by the end of ED2. (LC4)

We scored an average 8.4 under the Major Connections Incentive (MCI) Financial Incentive in 2024/25, which was a significant improvement on the previous year. As the move for new electricity connections continues to grow to aid Great Britain’s journey to decarbonisation, we’ve taken key steps to ensure that our Connections business will provide the support for all our customers on their connection journey. These include:

- Enhanced access to system planning engineers at pre-application surgeries to give customers an early indication of project viability.
- Strengthened our frontline application teams by launching a new enhanced customer service training, including a new coaching and moderating framework and customer-focused tools designed to support meaningful conversations throughout the major connections journey.
- Focused on timelines for customers to receive our quotes and have reduced our average days to quote across most Major Connections market segments.

We’ve improvement strategies in place for the benefit of customers. Our Major Connections Annual report details the level of service which we provided to all our Major Connections customers in 2024/25. This was captured through the Major Connections Customer Satisfaction Survey (MCCSS). The report also highlights actions taken to improve this service throughout RIIO-ED2. The report is available on our website: ssen.co.uk/globalassets/library/major-connections-incentive/ssen-distribution-mcar-2025.pdf.



By 2028, meet our targets and further reduce average Time to Connect by 1 day in SHEPD and 2 days in SEPD compared to 2019/20. (LC6)

This commitment covers our Time to Quote (TTQ) and Time to Connect (TTC) performance, for both single connections (LVSSA) and multiple connections (LVSSB).

As the table sets out, we met or exceeded all our targets in SHEPD. Following an iterative process of continuous improvement, the team have enhanced meeting practices to ensure workload is balanced across a dedicated team resulting in sustained high performance.

SEPD outperformed TTQ LVSSA and showed a much-improved picture for LVSSB. SEPD outperformed TTQ for LVSSA by identifying efficiencies in how the Quotation teams operate, cross training Quoters, improving the application process and implementing key contact points with customers to also enhance accuracy rate. While LVSSB was behind target for 2024/25, we’ve significantly improved our performance from 2023/24 and continue to do so through additional training, process improvements and wider team support when we receive high volumes. SEPD quotation volumes are a challenge for SEPD, with less than 45% of customers accepting and progressing works.

Our performance is still impacted by the high volume of requests we receive for this work category. Our performance in SEPD for TTC has been mixed. We’ve made good progress with LVSSA during 2024/25, reducing TTC by 11% from 35.03 to 31.33 days, and this continues to improve. However, LVSSB continues to be a challenge. Our TTC is static compared to 2023/24; LVSSB TTC performance was notably affected by challenges in obtaining relevant consents with landowners. We’ve reorganised our teams to help reduce the lead time for these consents going forward, but the significant timescale challenges associated with obtaining legal consents still exists.

SHEPD	Target	Performance
TTQ LVSSA	3.26	2.04
TTQ LVSSB	5.47	3.19
TTC LVSSA	28.54	14.49
TTC LVSSB	22.15	13.87

SEPD	Target	Performance
TTQ LVSSA	3.26	2.39
TTQ LVSSB	5.47	6.33
TTC LVSSA	28.54	31.33
TTC LVSSB	35.44	48.66



3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD



Meet our obligations under GSoPs for connections on an ongoing basis and aim to reduce the number of failures over the period. (LC7)

In 2024/25 the number of failures in SHEPD reduced by 64% compared to 2023/24. We also reduced the numbers of failures in SEPD by 11% in 2024/25. In the last few months, we’ve started the roll out of our self-serve connections portal, which is already allowing customers to complete their own quotes, change, and adapt their requirements and provide information within minutes. We plan to extend this to service alterations in 2025/26.



Produce and report annually on an Environmental Action Plan (EAP). (S1)

Our Annual Environmental Reports for 2024 and 2025 can be found at: ssen.co.uk/about-ssen/library/environment-reports-document-library. These detail our performance in each year of RIIO-ED2 to date.



Complete works at c. 73 sites across our network in line with ETR138. (S10)

In 2024/25 we carried out eight flood risk assessments at substations across SHEPD. These surveys will be used to inform which substation(s) require remedial works during the remainder of RIIO-ED2. We’ve already carried out remedial works at Balmedie substation during 2024/25. We will continue to survey substations during the price control to assess works required to mitigate them from flood risk. We’re on track to reach our flood mitigation commitments.

In SEPD, we completed flood mitigation works at two sites during 2024/25. There are six other sites to complete over the course of RIIO-ED2. The remaining three sites that we identified as requiring works to meet industry standards are within the boundary of National Grid sites, and are protected by the defences in place for that wider site. We’re on track to reach our flood mitigation commitments.



Sign up 80% of our supply chain (by value) by 2028 to our Sustainable Supplier Code. (S11)

In 2024/25, 39% of our supply chain (by spend) had signed up to the Sustainable Supplier Code. This puts us on track to meet our commitment to sign up 80% of our supply chain by 2028.



3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD



Electrify 80% of our core vehicle fleet by 2028, where supply allows, reducing our average road mileage by 15% (from pre COVID-19 levels) and limit air travel where possible. (S12)

Electrifying our core vehicle fleet

We’ve electrified 64% of our cars, but only managed to electrify 4% of vans to date. Larger vans and HGVs are more difficult to electrify than cars due to a lack of vehicles available on the market which meet our range, payload and towing requirements. We’re continuing to electrify our fleet and will continue to pursue solutions for our van and HGV fleet. We’re also exploring alternative options to reduce emissions such as converting some vehicles to Hydrotreated Vegetable Oil (HVO).

HVO

HVO is a cleaner alternative to diesel which can help to bridge the gap whilst vehicle manufacturers work to develop electric or hydrogen vehicles with the technical capabilities our operations require. We’ve successfully trialled HVO with more than a dozen operational vehicles based at depots in Poole and Perth, covering 52,000 miles. This delivered a 30% reduction of carbon monoxide and particulate matter as well as a 10% reduction in nitrous oxide emissions. We will now expand HVO use in 4x4s and HGVs over this year, with the target of fuelling nearly all of SSEN Distribution’s non-electric vehicle fleet by the end of 2025/26. This move – together with the growing procurement of EVs as appropriate models come on stream – will further reduce the emissions our fleet produces.

Reducing average road mileage

In 2024/25, our average business road mileage equated to 3,463 miles per person, a 26% reduction from our 2019/20 base year, and significantly ahead of our RIIO-ED2 business plan commitment target of a 15% reduction. We continued to utilise flexible working arrangements, conduct engagements virtually using digital technologies, and challenged the necessity of road travel to help meet this target.

Limiting air travel

In 2024/25, the number of return flights undertaken equated to 0.44 per employee, a slight increase from 2023/24 and slightly over our RIIO-ED2 business plan commitment target of 0.4. We continued to use virtual meeting platforms, deliver travel awareness communications, and challenged the necessity of air travel. From April 2025, we’ve introduced travel restrictions to help bring the numbers back in line with the target and reduce our emissions.



Complete undergrounding of up to 83km of lines. (S13)

Undergrounding schemes are stakeholder-driven, and we rely on stakeholders identifying stretches of overhead line in designated sensitive landscapes they wish to be undergrounded.

In SHEPD, we made presentations to all the local councils that have National Scenic Areas which generated several applications: positively received by all stakeholders.

We’ve eight schemes of varying sizes that are progressing through design into construction phase, with five other schemes in assessment. These schemes total will underground a total of 11.2km of Overhead Line (OHL). The first scheme will be built in November 2025 at Chanonry Point. We expect to complete the largest scheme, in Braemar in Q3 2026.

In SEPD, in 2023/24 we identified 69km of lines that could be undergrounded. These are spread across 21 different schemes; five projects are in construction with the remaining 16 schemes pending legal permissions and refinements in the scheme designs before we can progress to delivering the work. All sites under this programme are driven by our stakeholders, and we continue our communication routes to help identify suitable circuits for undergrounding.



Set an ambitious 1.5 degree SBT (including losses) requiring at least a 35% reduction in our carbon footprint by 2028. (S2)

We achieved our yearly target for our Business Carbon Footprint. We delivered a 22% reduction of our footprint compared to our baseline year, but the total emissions stayed at the same level as 2023/24. This was driven by a 1.6% increase in Network Losses emissions.



Plant up to 17 hectares of seagrass meadows during RIIO-ED2, aiding biodiversity recovery, supporting climate adaptation pathways, and providing carbon sequestration as an alternative to offsetting. (S14)

In March 2024 we contracted with the Scottish Government’s Scottish Marine Environmental Enhancement Fund (SMEEF) for the delivery of 14 hectares of seagrass planting in our SHEPD licence area. Work over the course of 2024/25 has involved identification of delivery projects, undertaking due diligence and supporting projects in moving to delivery. Four delivery projects in SHEPD have been awarded funding to start work in 2025/26. We’re currently in discussions with our partners (Projects for Nature) around opportunities for seagrass planting in our SEPD licence area.



Reduce emissions from our assets by a minimum of 35%, and begin reducing our holdings. (S3)

2024/25 SF₆ emissions for SSEN Distribution totalled 191kg, representing a 1% reduction in leakage rate as a percentage of bank compared to 2019/20. We are looking to reduce SF₆ on our network, however as our network grows the addition of assets which contain SF₆ will be needed until appropriate alternatives are found. However, through various programmes, we’re actively working with the supply chain and the ENA to develop alternatives and have improved monitoring and analysis to track the poorest performing assets monthly and target investment to reduce SF₆ where appropriate.



3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD



Implement a strategy to efficiently manage losses on our network in the long-term: Re-classify losses as a Scope 2 emission and act to reduce actual losses. (S4)

We’ve achieved a cumulative loss saving of 21,943 MWh to date in RIIO-ED2 through implementation of our losses strategy initiatives to reduce losses. During 2024/25, we identified technical and network integrity challenges for the deployment of Transformer Auto Stop Start (TASS) technology so we’re evaluating alternative options to re-deploy funding. Our Losses strategy can be found at ssen.co.uk/about-ssen/library/losses-strategy.



Reduce emissions by replacing mobile generators wherever economically possible with lower carbon alternatives, or by using alternative lower-carbon fuel types by 2028. (S5)

During 2024/25 we continued the use of Hydrotreated Vegetable Oil (HVO) in our Mobile Diesel Generation instead of Diesel as a way of reducing carbon emissions. We’ve avoided a total of 3,380 tonnes of CO2e (tonnes of carbon dioxide equivalent) from Scope 1 Green House Gas (GHG) emissions by using alternative fuel. We intend to increase usage of HVO as a transition fuel while other possibilities are explored.



Reduce reliance on diesel back-up generation, exploring local solutions and flexibility opportunities from the start of ED2. (S6)

In 2024/25, we further developed and submitted plans to Ofgem under our Hebrides and Orkney Whole System Uncertainty Mechanism for Skye – Uist, Islay – Jura and Orkney which look to reduce reliance on diesel back-up generation whilst exploring flexibility and other local solutions. We progressed our enduring solution for Shetland, which will see the islands supplied by a mainland cable instead of Lerwick Power Station. We estimated 150,000kg CO2e was avoided in 2024/25 by using flexibility services to support island communities during faults and planned outages, assuming this displaced diesel generation. We continue to actively pursue further use with potential providers.



Deliver 258 hectares of woodland creation and 522 hectares of peatland restoration. We expect this could remove up to 65,000 tCO₂ by the end of RIIO-ED2. (S7)

Throughout 2024/25 we awarded funding through Projects for Nature for 31 hectares of woodland creation in Somerset through Heal Rewilding and 12 hectares of peatland restoration in Oxfordshire through Freshwater Habitats Trust. In 2023/24 we became a founding business partner of Projects for Nature, a pioneering platform that connects businesses with on-the-ground nature projects in England. The digital platform is a collaboration between The Council for Sustainable Business, Accenture, Defra, Natural England and the Environment Agency alongside the Nature Recovery Network Partnership and Wildlife and Countryside Link. For more information please visit projectsfornature.com



Remove all PCB-contaminated assets from our network by 31 December 2025. (S8)

In SHEPD at the end of 2024/25, we had replaced 2,070 Pole Mounted Transformers (PMTs), 27% above the target of 1,634. This outperformance was needed to offset under-delivery in 2023/24. It was a result of an efficient combination of replacing all required transformers under our routine Whole Circuit Approach (WCA) programme, along with additional teams focusing directly on clearing PCB affected assets that will not be tackled by WCA before the December 2025 deadline. For our Ground Mounted Transformers (GMTs), we finished 2024/25 with only 215 (5%) GMT’s remaining to be sampled and an estimated 125 to be flushed. 45 of these were flushed in 2024/25 and no replacements are predicted. Any remaining sampling and flushing has either been programmed or resources allocated to complete. We’re confident of delivery by December 2025. In SEPD, we remain on track to deliver the current volumes of PCB-affected assets, and will continue to monitor the analysis being carried out across the ENA group which supports this work. This analysis may impact the volume of assets to address, and our delivery approach for those. We’ve identified some assets that need to be addressed before being replaced in 2026/27 and are considering the most efficient way to deal with these assets whilst meeting the PCB requirements.



Replace at least 20.9km of fluid-filled cables on our network. (S9)

We are on track to meet this commitment with 5km of fluid filled cables replaced during 2024/25. We’ve also explored alternative funding mechanisms and identified a further 27.3km fluid filled cables we can replace within RIIO-ED2 with schemes in design and ready for delivery. Our investment is based on the network criticality, the condition of the assets, and the risk the asset poses in terms of an environmental impact if it fails.



3: ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD



Support Local Authorities’ energy and heat strategy development through provision of relevant data sets and annual engagement on our DFES scenarios. (WS2)

We’ve now onboarded all local authorities who have requested access to our Local Energy Net Zero Accelerator (LENZA) with over 400 active users. This visualisation tool facilitates data exchange, and we’re working with Regen to explore how this can be automated for use in DFES.



Build new control rooms to further facilitate the transition to DSO and net zero. (CR1)

Delivery of our Control Room is on track in SHEPD. We’re now in Royal Institute of British Architects (RIBA) stage 4 (detailed design) and planning permission has been granted by the Local Authority. We’ve engaged the market, and the tender process is on track to be completed by the end of the calendar year.

The new SEPD Control Room is also progressing through RIBA stage 4 (detailed design). Our site has been granted outline planning permission, and we’ve formally engaged the local planning authority for pre-application consultation and agreed on the necessary details to achieve full detailed consent.

Construction of both control rooms is scheduled to be complete by the end of RIIO-ED2.



Provide additional targeted support to Local Authorities, within our licence areas, to develop a coordinated and effective delivery strategy for Whole System and Net Zero initiatives that interact with our network. (WS3)

Local authorities have advised us that funding is a major blocker to local area energy plan development. We’ve initiated a number of trials to reduce this hurdle including Local Area Energy Plans (LAEP) sites which utilise LENZA to develop building block insights that can be used in LAEP development. We’re also working with Winchester council to utilise LENZA to produce the first digitised LAEP.

In addition, we continue to provide regular support through surgeries and our monthly newsletter and have offered support for responses to the NESO’s Regional Energy Strategic Plan Request for Information.



Publish an annual Innovation Deployment Customer Report to improve the transparency of the benefits of our innovation programme. (I1)

We delivered our annual reports in October 2023 and October 2024. Our next report will be published in Autumn 2025. Within this report we’ve included a focus on outputs and realisation from Innovation projects, as well as roll out and embedding of Innovation. This helps improve transparency around the benefits of deployment of innovation for customers. Please see publications at: ssen-innovation.co.uk/innovation-strategy/innovation-focus-report.



Provide an integrated and collaborative digital platform where stakeholders can access key network data, understand our coordinated investment strategies, and view our local net zero delivery plans. (WS5)

SSEN Distribution’s data portal has had further improvements in 2024/25, including new datasets with clearer methodologies, and a significantly enhanced user experience – leading to a doubling of users. These upgrades align with our latest Digital Action Plan and Collaboration Plan, which prioritise open data, stakeholder engagement, and system interoperability. Additionally, we became the first DNO to pilot the Data Sharing Infrastructure (DSI) with National Energy System Operator’s (NESO), enabling real-time data exchange and supporting new flexibility markets. You can explore the SSEN Data Portal directly via: data.ssen.co.uk.



GLOSSARY

BROAD MEASURE OF CUSTOMER SATISFACTION (BMCS)

A customer satisfaction survey designed to drive improvements in the quality of the overall customer experience by capturing and measuring customers’ experiences of contact with their DNO across the range of services and activities the DNOs provide.

BUSINESS CARBON FOOTPRINT (BCF)

Total amount of greenhouse gas emission caused directly and indirectly by a business or activity.

CUSTOMER INTERRUPTIONS (CI)

The number of customers who experienced an interruption per year. This is the number of customers whose supplies have been interrupted, per 100 customers per year over all incidents, where an interruption of supply lasts for three minutes or longer, excluding re-interruptions to the supply of customers previously interrupted during the same incident.

CUSTOMER MINUTES LOST (CML)

The duration of interruptions to supply per year. This is the average customer minutes lost (CML) per customer per year, where an interruption of supply to customer(s) lasts for three minutes or longer.

DISTRIBUTED GENERATION (DG)

Distributed generation (DG) is an electricity-generating plant connected to a distribution network rather than the transmission network.

DISTRIBUTION FUTURE ENERGY SCENARIOS (DFES)

The Distribution Future Energy Scenarios outline the range of credible futures for the growth of the distribution network.

ENERGY NETWORKS ASSOCIATION (ENA)

The industry body funded by UK gas and electricity transmission and distribution licence holders.

FLUID-FILLED CABLE (FFC)

Pressurised fluid-filled underground cables – the fluid acts as an electrical insulator.

GUARANTEED STANDARD OF PERFORMANCE (GSoP)

Minimum service levels, covering a range of scenarios including interruption time, responding to voltage complaints, or notice of planned interruptions, which we are required to meet. If we fail to meet these standards, we must make a payment to the affected customer(s).

HIGH VOLTAGE (HV)

Voltages over 1kV up to, but not including, 33kV.

LOSSES

The difference between units entering and units exiting the DNO network through different connection points.

LOW CARBON TECHNOLOGIES (LCTS)

Technologies such as electric vehicles, heat pumps, solar panels.

LOW VOLTAGE (LV)

This refers to voltages up to, but not including, 1kV.

MEGAWATT (MW) AND GIGAWATT (GW)

Units of power. One megawatt equals one million watts. One gigawatt equals 1,000 megawatts, or one billion watts.

PRICE CONTROL

The control developed by the regulator to set targets and allowed revenues for network companies.

PRIORITY SERVICES REGISTER (PSR)

A service for all customers in an electricity distribution area that are of pensionable age, disabled, chronically sick, require special communication needs, depend on electricity for medical reasons, or have children under 5, or require certain information and advice in alternate formats and languages.

REVENUE PROTECTION

The prevention, detection and recovery of losses caused by interference with electricity supplies (Non-Technical).

RIIO-ED2

The current price control period, running from 1 April 2023 to 31 March 2028.

SULPHUR HEXAFLOURIDE (SF₆)

A gas that is used as both an insulating and arc extinction medium in electrical plants.

TRANSFORMERS

An electrical device that transfers electricity between two or more circuits.

TRANSMISSION CONNECTION POINT CHARGES (TCPC)

Charges payable by DNOs levied by a Transmission Licensee as connection charges, due to the number or nature of connections between the Distribution System and the GB Transmission System.

UNRESTRICTED DOMESTIC TARIFF

The Unrestricted Domestic Tariff Charge is the proportion of the electricity bill customers paid to us for using the electricity network. This is billed via the customers’ supplies.

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Media enquiries should call SSE's Press Office:
+44 (0)345 0760 530



Investor enquiries should be emailed:
ir@sse.com



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