



**Scotia**  
Gas Networks

2012/13

Quality of Service  
Discretionary Reward  
Scheme



Know what's below  
Protect yourself and your family





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# Introduction

Quality of service Discretionary Reward Scheme 2012/13

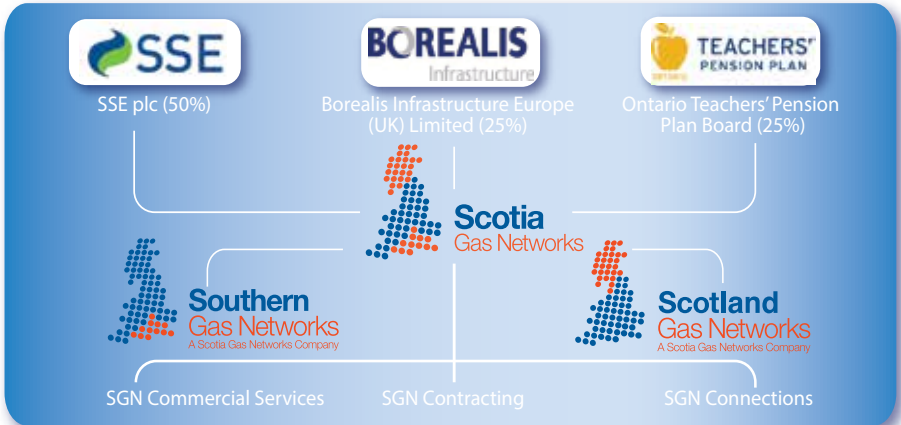
At Scotia Gas Networks we safely operate our 74,000km of pipes providing a service that our 5.8 million customers can rely on every day of the year. We deliver a service in diverse geographical areas – from central London to the island of Lewis in Scotland – around half the landmass of the UK.

Our business touches customers' lives so it's important that we earn their trust and respect by ensuring we keep them informed about our business activities and that their feedback forms part of our decision-making process ensuring that we embed any learning into our everyday processes.

### Our Investors

The SGN group is owned by three shareholders - SSE plc (50%), Borealis Infrastructure Europe (UK) Limited (25%) which is indirectly wholly owned by OMERS Administration Corporation and OTPPB Investments (UK) Limited (25%) which is owned by Ontario Teachers' Pension Plan Board.

### Corporate Structure

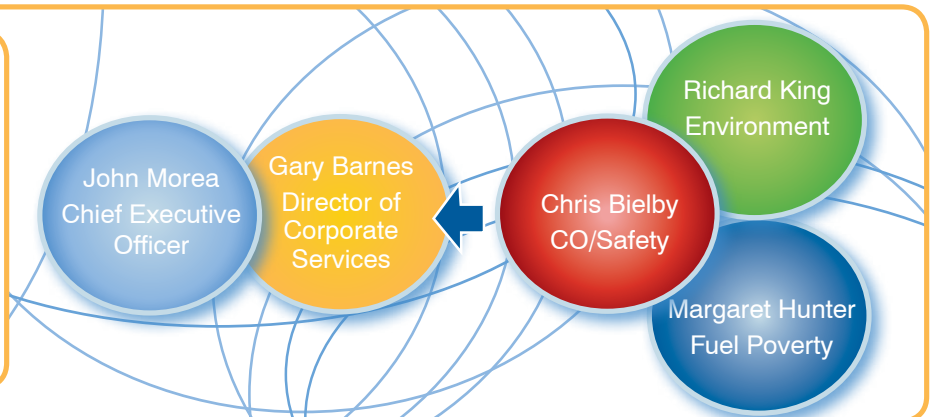


Central to all of this is our on-going process for carrying out stakeholder engagement – engaging internally on what's important to our own people and externally on a range of issues. For example, stakeholders particular concern for the environmental impact of our streetworks or helping to identify vulnerable customers. Of course there will be obstacles and challenges and we won't always get it right first time but by listening and acting on feedback we can work innovatively to ensure improvements are acted upon.

In our company, we have adopted a simple philosophy to DRS - don't say it unless you believe it and don't write it unless you have either done it, or will do it. Our new DRS organisational structure is designed to make sure that it happens and I'm determined that our customers and the public will realise the benefits.

Gary Barnes, Director of Corporate Services

Working with Gary on this is Chris Bielby who, along with developing our stakeholder engagement, takes responsibility for delivering on our DRS initiatives. Supported by Richard King from our environment and sustainability team and Margaret Hunter, Head of Customer Service, together they ensure that we are making a positive difference and that our ambitions under DRS are realised.





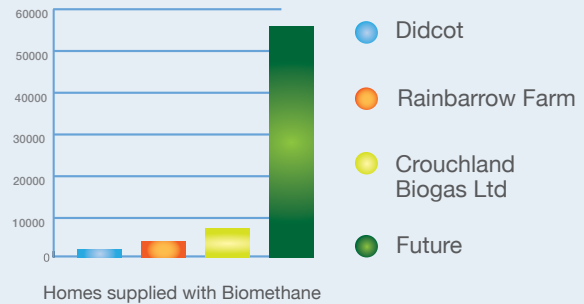
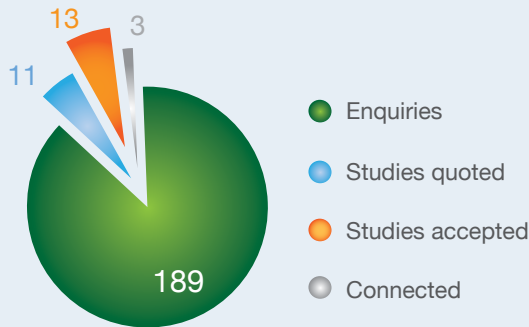
# Environment

## Greening the Gas

Our Stakeholders have told us all alternative cleaner and greener energy sources should be encouraged and integrated into existing systems where possible.

‘Greening the gas’ by connecting distributed sources of renewable gas, such as biogas or hydrogen, to our network is central to our long-term vision of an enduring and sustainable gas network.

John Morea, Chief Executive Officer



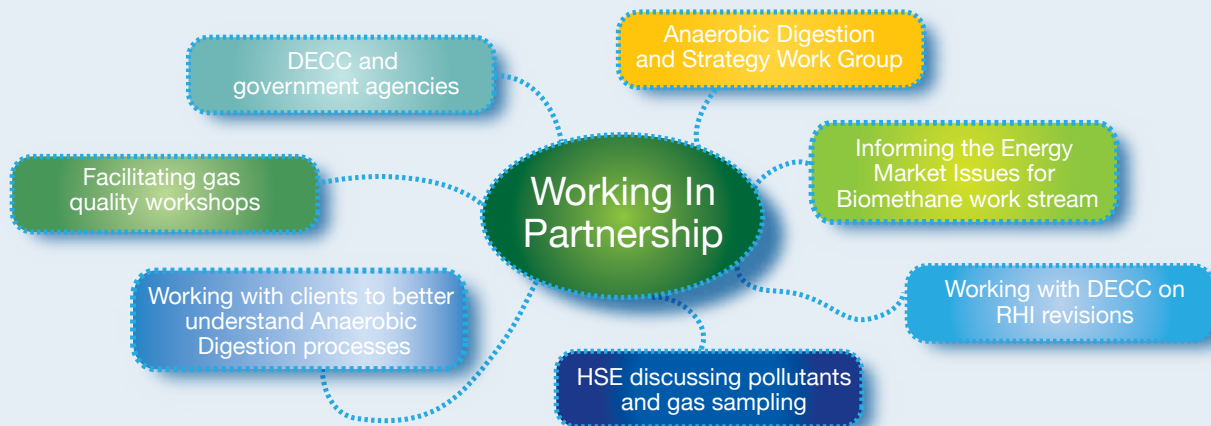
Our ambition is to continue to be the leading network in this area and to have around 100 biomethane plants connected to our network by 2020.

In practical terms we are the first network to go through the gas quality checks and continuous monitoring that is necessary in order to satisfy safety and environmental requirements. This has allowed us to feed back into working groups in the Environment Agency and to inform the HSE on contaminants such as siloxanes or those that may cause odour masking. We understand the process better than anyone and are sharing the results with the industry.

### Our Biomethane Successes:

- First gas to grid pilot project at Didcot
- First gas to grid commercial project at Rainbarrow Farm
- First ‘remote injection’ contracts signed with Crouchland Biogas Ltd
- First Gas to Grid project in Scotland - terms are now agreed

15 active developments under serious consideration



Although the Didcot, Rainbarrow Farm and Crouchland projects benefited from the original allocations of IFI funding, it is certain that without our additional commitment and funding contributions these projects would not have progressed.

**£9 million invested in biomethane projects**



## Keyhole technology for gas mains repairs

Cutting keyhole cores and using vacuum excavation to get to underground plant are techniques that have been around for a few years. Our innovation and operations teams have developed the technique using state-of-the-art equipment to combine both elements into one machine that enables us to complete work in a couple of hours and one visit, rather than the several days it might have taken.

### Working in partnership

We have actively involved TfL and used its support and feedback in the development of our core and vac initiative. During December 2012, the process was demonstrated to its streetworks managers and they have been monitoring trial jobs since then and reported they are pleased with progress. With a view to rolling this technique out beyond London we have engaged with and shared independent reports on reinstatement integrity with the South East Highways and Utilities Committee.

In the last year we have also carried out successful trials with Glasgow City Council, the Royal Burgh of Kingston Council and Croydon Council.

Transport for London (TfL) thought that the duration and disruption caused by our streetworks was below the standard expected. Their concerns gave us the opportunity to demonstrate the principle of the 'waste hierarchy' in action, by developing a technique to minimise excavation sizes and allow the re-use of excavated materials.



### Key benefits

**Reduced environmental impact** – the spoil taken out is re-used, minimising spoil to landfill

**Improved efficiency** – less inconvenience to road users and the public and reduces need for traffic management

**Improved safety** – for members of the public and our employees

**Less risk of utility damage** – air lances and vacuum excavation minimises potential damage to other utilities plant like water pipes and cables



## Road to low carbon future

Hydrogen has considerable potential to contribute to creating a low carbon future and we are one of a number of key industry and public sector organisations that have joined forces to demonstrate the EU's largest integrated hydrogen project. The Aberdeen Hydrogen Project utilises wind energy and electrolysis to produce hydrogen and is building a state-of-the-art refuelling station and evaluating an effective means of transporting the hydrogen from the electrolyser to the refuelling point.

Our involvement brings greater understanding about creating hydrogen from renewable sources and how it could be utilised as part of a hydrogen gas network, or blended with natural gas in existing networks. Such applications potentially increase the use of renewable sources of energy, reducing harmful emissions and maintaining a strong energy mix. The lessons being learned will be transferable to future projects and we have commissioned a Feasibility Study into the regulatory and practical issues of hydrogen transportation.

Our stakeholders have said that our looking into alternative sources gives them more options; more versatility if they have a number of sources to rely on.



**£300,000 invested**



## Environment - Supplementary information

Much of our 505 success story rests on adopting the 'waste hierarchy' of prevention, re-use and recycling, and we have revolutionised our waste management strategy to maximise both resource efficiency and energy conservation.

Terry Carroll, Head of Environment and Facilities

In March this year our five year environmental improvement programme reached its conclusion with significant benefits – here are the highlights ...



### Reduce Natural Gas Emissions

We've continued to focus on reducing the release of harmful methane into the atmosphere. Since 2008 we've reduced leakage by 17% and saved **761,000 tonnes** of CO<sub>2</sub>e. Continuing to monitor and control our network pressures allows us to manage fluctuations in demand which can cause leakage. Our mains replacement programme continues.



### Know What's Below

A **71% reduction** in harmful gas emissions from third party damages to our network. This reflects our increased emphasis on informing and educating both landowners and public alike. See page 16 for more details.



### Reducing our impact on landfill

**97%** of our road spoil (two million tonnes) is now recycled instead of being sent to landfill. That's the weight of almost 5,000 jumbo jets. We've seen a 55% reduction in waste from main depots and offices sent to landfill.



### Increased Energy Efficiency

We've saved **13,304,758 Kwh** of energy in our offices and depots – that's enough to provide gas and electricity for over 610 typical homes for a year.



### Other 505 Achievements

Reducing carbon emissions **8,385 tonnes** of CO<sub>2</sub> emissions from our commercial fleet – that's like driving a Prius from Earth to Mars and half way back. Our commercial fleet carbon footprint reduced by 5,700 tonnes CO<sub>2</sub>e.



### Reduced Wastage of Materials

Our office staff like those from our Dunfermline depot here are using 233 less sheets of paper per person per month – that's a pile of paper 1,500 metres high.



## Waste Hierarchy - Recycling

Sharing ideas with one of our major reinstatement contracting partners, we've invested in a piece of kit which will allow us to treat and dispose of our aerosols as recyclable metal rather than hazardous waste. The APU2 unit is currently on trial to assess the benefits and technical effectiveness of the kit. A successful outcome will enable us to replicate the process across our depots and in keeping with the waste hierarchy – allow us to virtually eliminate a hazardous waste stream.



The hard work and commitment our employees have shown in meeting the objectives set out in our '505' environmental improvement programme has led to our second Green Apple Award, we were also short-listed for an ETIE Sustainable Leaders Award and we won the Energy Efficiency category at the IGEM/EU Awards.

### So long 505 – hello Green Plan!

We are building upon our 505 successes and introducing Green Plan as our new business sustainability strategy. Reinforcing our commitment to our environmental performance Green Plan is designed for implementation over the eight year RIIO period and aligns our environmental goals with executive responsibility, targeting nine areas for continued improvement.

# greenplan



**greenplan**  
our world, our future

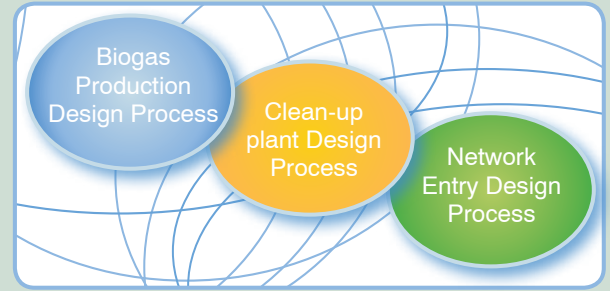
- Reduce gas emissions
- Reduce carbon emissions
- Increase energy efficiency
- Increase resource efficiency
- Eliminate waste to landfill



# Environment - Supplementary information

## Joined up thinking

Our active involvement in the production of biomethane has resulted in us learning from our experience and making beneficial process improvements. From our early experiences (where parts of the process were designed individually) we now recognise that working closely with the AD developer and the suppliers of the clean-up technology, we can improve the quality and energy content of the biogas. This leads to more efficient operation of the plant and can significantly reduce the need for propane enrichment, bringing welcome financial savings and environmental benefits.



### Reducing the cost of network entry.

The kiosk that contained the network entry equipment at Didcot cost in the region of £625,000. Taking the integrative approach discussed above we have brought the cost of providing this equipment to closer to £300,000.

## Portsdown Hill remote injection

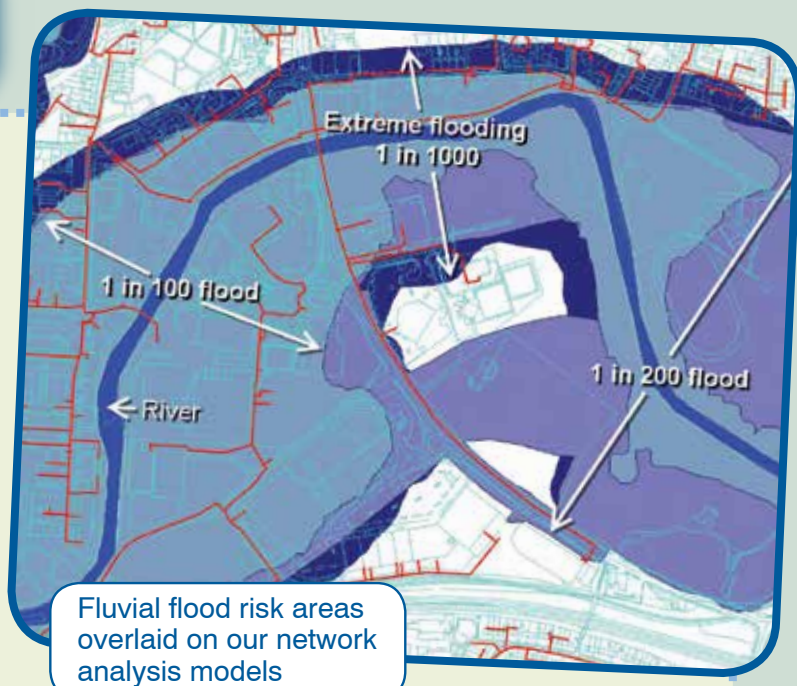


### Cleaning-up 'down on the farm'

Our Portsdown Hill Biomethane Terminal will be a world first and allows ADs remote from the network to access the gas grid. We will be presenting our operating methodology to Ofgem in June and we will be working closely with DECC and the industry to provide a more affordable connection. With a target cost of £300,000 this will be considerably less than the current cost of around £750,000.

**Sharing Data:** Like other utilities we have increasingly found our operational assets compromised by severe weather events linked to climate change. Liaising with the Environment Agency (EA) and the Scottish Environment Protection Agency (SEPA) we have recently integrated maps of fluvial and coastal flood risk areas to our network analysis models. When considering the construction of new assets this allows us to ensure the risk and potential impact of flooding is properly considered and that effective controls are identified.

We are utilising the same files to review our existing assets, to identify where they may be at significant risk of flooding and to consider options for relocation. A Local Guidance Note to staff highlighting the importance of utilising this information to evaluate risk, has generated an increased awareness of the issue. This has led to improved evaluation, more informed decision-making and ultimately increased security of supply for customers.



Fluvial flood risk areas overlaid on our network analysis models





# Fuel Poverty

Quality of service Discretionary Reward Scheme 2012/13

We are pleased to have exceeded our target for fuel poor connections but have learned that success must be measured by more than just the connections achieved

Margaret Hunter, Head of Customer Service

## Achieving more through building partnerships



We've always taken the view that tackling fuel poverty needs a broad approach but we've looked to build key strategic partnerships and to develop and apply the learning gained from others. In particular, we have established two key new partnerships and have modelled the data sharing arrangements exhibited by the other GDNs.

### Partnership Arrangements

Noting the partner relationship developed by both Wales & West Utilities (WWU) and Northern Gas Networks (NGN), we're now working with Yorkshire Energy Services (YESprojects) to deliver fuel poor connections in our southern network.

Working closely with YESprojects this strategic alliance has:

- Achieved a **30%** increase in Assisted Connections
- Allocated **£1.2m** of Assisted Connections allowances
- Leveraged an additional **£55,000** in supplier funding for one-off connections
- Invested **£8,000** in a scheme in Hailsham to encourage connections by owner-occupiers
- Delivered our second park home project
- Partnered YES in supporting Hampshire's 'Hitting the Colds Spots' campaign, providing **1,500** CO alarms and using our frontline staff to identify vulnerable customers

**This is a promising start in our first year of working together!**

### Physical Connections

## Physical Connections

- 7,164 Fuel Poor connections completed in 2012/13
- 17,000 Fuel Poor connections completed to date
- 33km of Fuel Poor associated system extension work completed in 2012/13
- 66km of Fuel Poor associated main infrastructure completed to date
- Carbon saving 55,080 tCO<sub>2</sub> per year (estimated)
- Energy bill saving £5.78m (estimated)

**All delivered with partner support**

...it has made such a difference to my health and my heating costs have reduced considerably... Gosport Council tenant

This tenant had an old electric storage heater system that was inefficient and a hot water cylinder that was not working well. They were in fuel debt and on a limited income. Assisted Connections scheme was able to leverage funding under CERT replace the heating system and upgrade the homes energy efficiency.

## Our new partner!

YES is a community interest company and official Green Deal provider. It specialises in managing energy saving schemes on behalf of local authorities, housing associations and community groups, delivering some of the largest council endorsed home insulation projects in the UK. The additional expertise in renewable technology make them an ideal partner to consider on and off-grid solutions for projects within our networks.



**Glasgow City Council (GCC)** has some of the highest levels of fuel poverty in the country. Using its knowledge and working with Everwarm, its delivery partner, we developed a flexible project arrangement that allowed GCC to underwrite the cost of infrastructure, while Everwarm leveraged additional energy supplier funding (CERT and CESP).

- **1,400** owner occupiers have been able to benefit from fuel switching
- **11km** of infrastructure installed
- **£2m** of Assisted Connection funding allocated
- An estimated **£5m** of grant funding through CERT or CESP

Our new ability to map fuel poor areas means we can now more easily search other city locations for similar opportunities and look to develop partnerships with other social landlords (see more in the supplementary pages).



# Fuel Poverty



## Investing in the future

Part of our strategic approach to tackling fuel poverty is to work with many partner organisations and to build deep relationships with key partners so that real benefits can be delivered for customers. We're delighted we've entered a unique partnership with the Scottish Federation of Housing Associations (SFHA) to support the sector accelerate fuel poverty solutions and energy conservation efforts.



### It's about more than just connections

Building on from discussions at an Energy Action Scotland stakeholder event, we've been working with the SFHA (Scottish Federation of Housing Associations) on a number of projects with great potential to make a huge difference to on and off-grid homes.

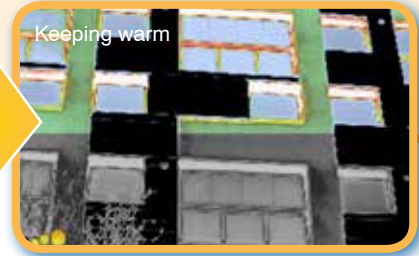
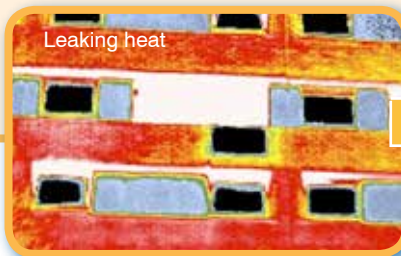
The SHFA, together with its fuel poor partner Citrus Mind, have developed the use of thermal imaging to capture energy performance data on their member's housing stock. Since 2010, building fabric data and thermal efficiency measurements on some 60,000 homes has been acquired and made available for members to view. This data represents a remarkable resource but to draw further value from the project, it needs to be consistently labelled, categorised and aggregated. We are supporting that part of the project. 'Benchmark' ready comparison measures will be created that can be used for stock assessment purposes, helping prioritise insulation programmes and target the most inefficient property types first.

Modelling the data so far suggests that:

- Potential energy consumption savings = 200m Kw hours, per annum.
- Potential CO<sub>2</sub> emission reduction savings = over 40,000 tonnes of CO<sub>2</sub> emissions
- Potential energy cost savings for all tenants = over £10m

When complete the data will account for around 22% of the Scottish housing stock and include on and off-grid homes, all of which will be able to benefit from the improved decision-making this can bring.

The difference achieved by installing external insulation on flats in Partick, Glasgow in 2012.



### Extending best practice south

We were so impressed by the carbon portal programme that we are providing 'seed funding' to establish a London pilot to ensure the learning, experience and knowledge of operating the programme in Scotland can be shared with the English Federation of Housing Associations.

We will fund the design and building of an appropriate website and provide the necessary infrastructure to ensure the data gathered can be used to guide energy efficiency improvements. This is a great opportunity to establish a best practice model and speed up the time-to-market. **Our partners acknowledge our contribution towards the start-up costs is a significant factor in talking this project forward.**

We're keen to see the thermal imaging programme up and running for the coming winter and thereafter the plans are for a national roll-out across England and Wales. We will be engaging the other GDNs for support as the programme extends to their networks.

#### Potential savings available from fixing thermal deficiencies

Energy kWh per year	CO <sub>2</sub> kgs per year	£s per year
4207.67	1775.63	822.12

### Energy Ideas Fund

Planned to launch in 2013, we've committed to the establishment of an 'Energy Ideas Fund'. The fund would be managed by the SFHA and available to support energy related projects. As a co-founder, we are investing £100,000 over two years. Our expectations are that:

- applications will not necessarily be gas oriented
- clean energy projects establishing renewable resources or projects geared towards encouraging and sustaining behavioural change in reducing energy consumption
- collaborative bids will be encouraged as will those that are leveraging the initial funding to add additional contributions helping to build scale and outputs.

**This is a great opportunity for us to continue with our stakeholder engagement as we will be involved in project assessments every step of the way.**



Providing project support

## Providing project support

...on behalf of all the residents a very BIG thank you for all you have done for us all, Thank you.

Roy James, resident Kingfisher Park



Kingfisher Park, Bournemouth

One partnership arrangement has come to an end this year along with the Carbon Emissions Reduction Target (CERT). Our fuel switching scheme delivered in conjunction with partners SSE plc and latterly, Carillion Energy Services, was remarkably successful:

- returning almost **£3m** to our customers
- generating some **£2m** for our system extensions fund
- saving **669 080 tCO<sub>2</sub>** (lifetime savings)
- installing **12,610** energy saving measures

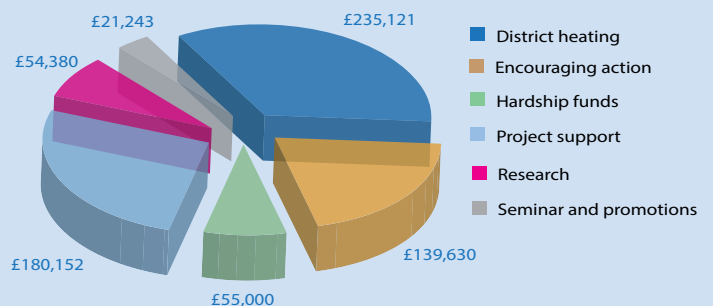
Providing a solid base for us to continue to invest in different types of project support.

### Staying Power

After three years of engagement and discussion, we have now completed work at Kingfisher Park Home site. Residents now have a new mains gas supply and their electricity network (which was badly in need of repair) has also been upgraded. Using a multi-utility approach, we've provided customer benefits by being able to significantly reduce the infrastructure costs and minimising disruption for the elderly residents – aspects of the job that have made our engineers particularly welcome on the site.

In establishing our new partnership with YES our goal was that they should engage directly with customers and bring additional benefit to our projects. The on-site assessment YES has arranged at Kingfisher Park has demonstrated value by confirming that the residents will qualify for support with in-house measures. In collaboration with YES, Dyson Energy Services will carry out the boiler installations and hob conversions, work that will be free of charge for the majority of residents.

YES will also carrying out a 'before and after' report on the differences in energy usage on the site. YES has also arranged for us to sponsor the inclusion of some of the residents' homes in a current study designed to develop a new methodology for assessing park homes under SAP (Standard Assessment Procedure). The study is intended to provide evidence that will allow all park homes more easy access to funding under Green Deal and ECO.



Close to £700,000 distributed to date on research, project support, hardship funds and advice seminars.

At Town Farm, Hailsham, Wealden District Council provided the funding to connect its 47 tenants to the gas network, leaving 27 owner-occupiers to make their own connection arrangements. Under system extension infill rules, our cost of mains construction needs to be recovered against the estimated number of homes we expect to connect. These rules were acting as a constraint to the take-up of connections by the owner-occupiers.

With Council backing we agreed to underwrite the mains contributions and involved YES projects in supporting us to engage with the residents and maximise the in-house funding elements. Twelve owner-occupiers expressed an interest and remarkably nine were assessed as meeting the 'affordable warmth' criteria of ECO, meaning they will get their heating installed free of charge.

While it seems self-evident that pricing will have a bearing on decision making, this demonstrates that how we structure projects clearly influences connection rates. Without our involvement and direct support the residents who qualified under ECO would still be waiting for their heating installations – despite being demonstrably vulnerable and exposed to fuel poverty. Based on this experience, we are considering how we could change our approach to similar projects in future.

It's a great example of a partnership approach to making things happen

### Continuing support for district heating

Our support for district heating schemes has continued. This year we have:

- Invested over **£100,000** in three separate projects, supplying heat to **1,009** homes in 12 multi-storey blocks
- Worked with local authorities, housing associations and Energy Service Companies

Customer benefits include energy costs that are expected to reduce by 60% with financial savings in the region of £500 a year.

Wick in the north east of Scotland has an existing district heat scheme. Its latest expansion phase could allow around 300 extra homes to connect to it. We are actively working with Highland Council and the heat scheme owners, Ignis, about how we can support the expansion and increase the number of connections.



## Fuel Poverty: Supplementary information

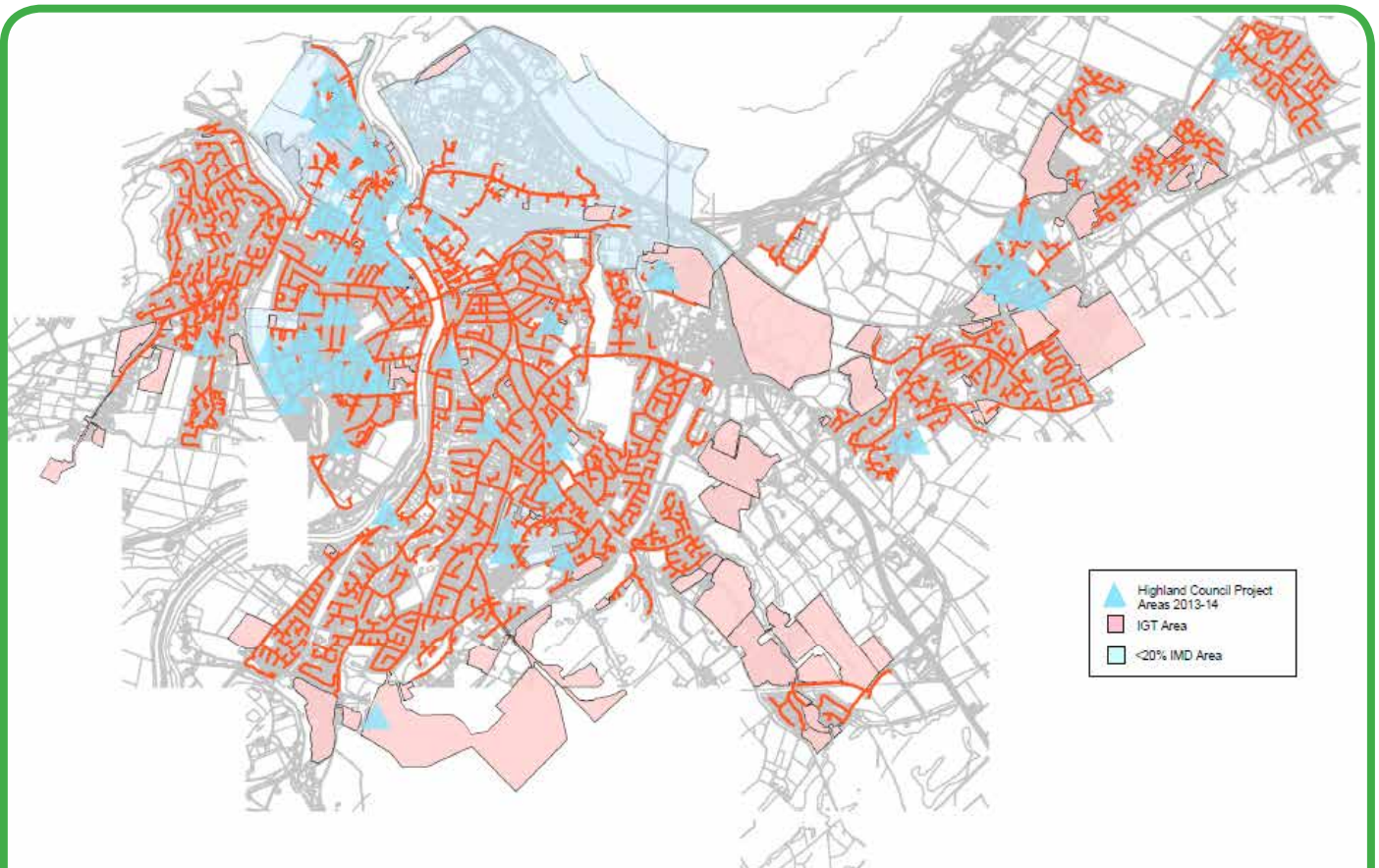
Sharing our message

### Sharing our message

#### New data sharing contract developed

Following feedback from last year's DRS process, we discussed with WWU the technical scope of their mapping project. We also discussed how they had acquired the data sets they were working with and the nature of the contracts they were using to underpin the sharing arrangements. Using the WWU contract as a template, we were able to create a version that not only satisfied our legal team but also retained the simplicity of the WWU format.

We were also impressed by the work WWU has been doing on defining fuel poor areas. Following discussions with them, we have looked at ways to replicate this and as shown below, have made improvements to our own systems and processes.



	In Total	Qualify for Assisted Connections Scheme
Number of Properties within Projects (Inverness)	688	307

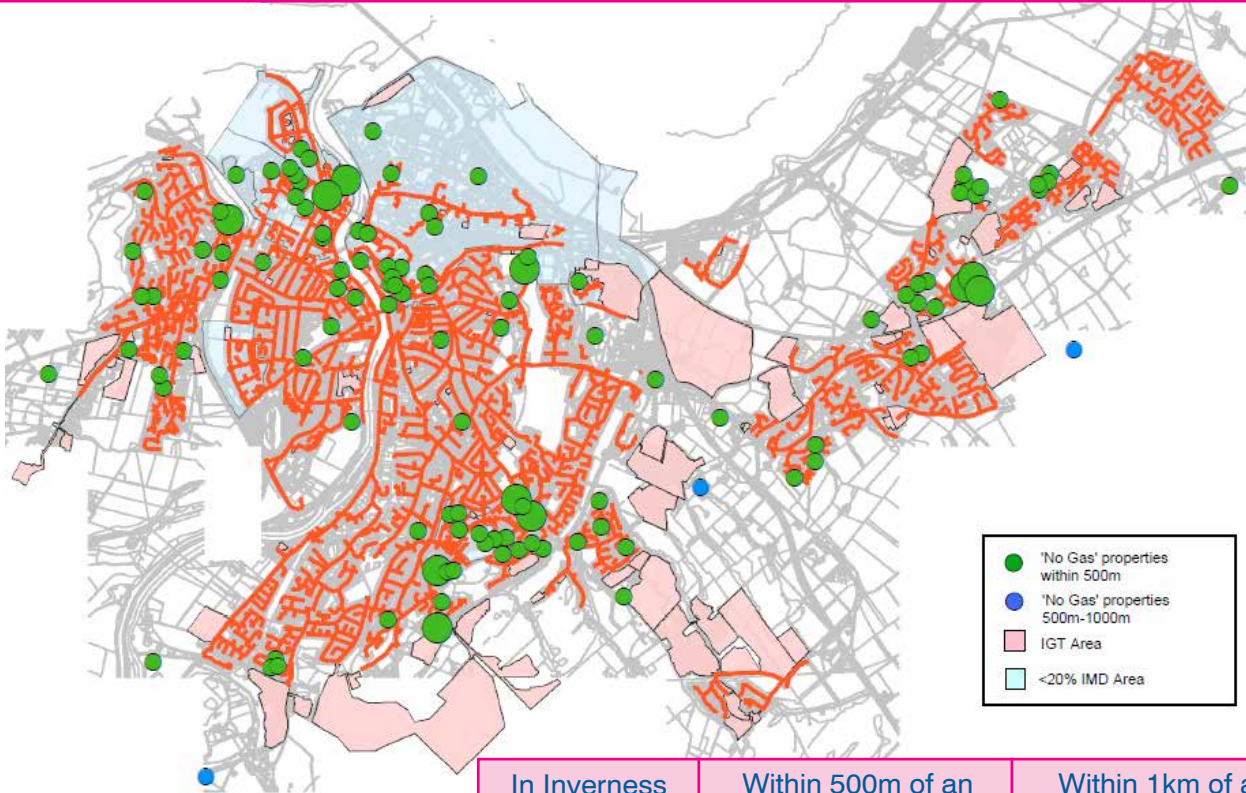
Learning from the approach taken by Glasgow City Council in providing connections to fuel poor areas, we can see how a more proactive approach by us could generate similar success in other urban locations. The map above shows Inverness and identifies the project areas where existing homes are being considered for energy efficiency upgrades. The map shows these projects in relation to our network, IGT networks and areas of multiple deprivation. This new capability we are developing allows us to share information in a different 'user-friendly' format enabling better planning and use of resources to take place.

Gaining experience of this new capability, we are discussing how we best make use of it with a number of local authorities (for example Reading and Gosport Borough Councils) and we're pleased to be working with Action for Communities in Rural England (ACRE) where we're focused on providing detailed mapping for Kent and discussing how that data might be fully utilised to identify fuel poor and off-grid areas.



Encouraging action

## Encouraging action



	In Inverness Area	Within 500m of an LP SGN Main	Within 1km of an LP SGN Main
Number of 'no gas' Properties	30803	7467	7706
-of which are within 20% IMD areas	4188	2504	2511
-of which have a >20 properties penetration	2297	1261	1281

Inverness again and we've plotted the postcodes where there are more than 20 'no gas' properties that are in relatively close proximity to an existing gas main. This fine tuning suggests around 1,200 homes in areas of deprivation are within 500m of our mains and provides a sound basis for scoping future projects.

Comparisons of postcode and meter point data with the index of multiple deprivation (top 20%) suggests the number of off-grid, fuel poor homes in Scotland and southern are 67,000 and 55,000 respectively. Using the mapping capability described above, we can now categorise their proximity and likelihood of those properties being connected to our network.

### Stop Press!

We have been discussing a number of mapping initiatives with the Energy Saving Trust on behalf of the Scottish Government and we are pleased to have received an initial data set that will enable us to more easily identify off-grid connections. We will now be working to build that data set into our models and look forward to reporting our progress to the panel in July!



We worked with National Grid Gas to bring the other GDNs together at the National Energy Action Conference.



# Safety

## Tackling the Silent Killer

We're taking a four stage approach to tackling Carbon Monoxide (CO) safety. Each stage has a different emphasis but together they reflect all that needs to happen if the dangers of CO poisoning are to be recognised and needless deaths prevented.



### Our interactive approach

Recent **research** has shown that only 1 out of 40 fatal CO poisoning incidents was related to natural gas. Recent high profile media cases have highlighted the dangers associated with leisure activities and research from that sector has shown that 33% of campers would use a barbecue inside their tent. Portable stoves and generators are also part of the less obvious CO dangers associated with environments such as holiday homes, caravans, pleasure boats and camping situations.



### Learning from this research

We've produced a new customer CO safety leaflet. While continuing to highlight good practice and appliance safety at home, our new leaflet draws attention to the risks associated with leisure activities outside the home which have been associated with a significant number of recent CO fatalities.



### Leading the way

We're issuing our new leaflet in advance of the peak holiday season and expect our First Call Operatives to distribute around 500,000 leaflets per year. While carrying out their emergency and meter work visits, they will take the opportunity to discuss these new aspects of CO safety with our customers. How well the message is received is being assessed by customer surveys. We will **share** our learning with the industry, ensuring best practice drives the promotion of this important safety message, keeping our customers safer.

**Research** undertaken by and for our Director of Stakeholder Engagement, Chris Bielby has been used as the basis of a presentation entitled 'Carbon Monoxide, The Past, Present and Future'. This has been presented to MEPs and learned bodies in Europe and to MPs, Ministers and Parliamentary Committees here in the UK. It's been shared with other GDNs, as well as to a wide range of learned institutions – all with the shared aim of raising awareness and also to encourage legislative change where it is needed.



**Leading the way** - Chris Bielby is a recognised industry lead on CO related matters and chairs or is an active participant in several national groups. His drive and enthusiasm for these initiatives has provided the additional encouragement for us to extend our promotion of CO awareness.

**Our commitment to sharing** is highlighted by all our initiatives. Our involvement includes the Safety Centre Alliance, Girlguiding, Go Safe Scotland and Safetaysiders. We've even helped develop a story line in Coronation Street which reinforced the dangers of employing unqualified tradesmen.

**In all of this we are learning, gathering the feedback, shaping our strategy - and always being proactive.**

**We've formed a strong relationship with the Dominic Rodgers Trust** supporting the development of a colourful camper van emblazoned with eye catching CO warning messages. Having launched the safety message at the Houses of Parliament, the van is now on the road raising awareness. We will make sure it is available for appearances in other networks, to ensure we share its essential safety message.





### Crisis management - keeping people informed

Working to keep customers informed when an incident occurs is second nature to our many in our company but doing things better and trying new ways to meet higher customer expectations are vital. For example, our largest incident of the year occurred in November 2012 and involved a loss of gas supply to 3,500 homes in the towns of Tillicoultry and Dollar in Clackmannanshire, Scotland. While our engineers worked to repair our gas main that was damaged by a third party, we also worked alongside a number of organisations, from local authority staff to volunteers from local community groups to keep customers informed, identifying those who were particularly vulnerable and looking after their welfare through four difficult winter days.

Through other areas of our business we were aware of customer demand for 'e- friendly' forms of communication, so at the same time as providing regular interviews for local and national news, our Corporate Communications team posted regular website updates and for the first time seriously used social media, facebook and Twitter to keep customers informed – efforts that have been acknowledged as best practice by the public and have seen the team shortlisted for a prestigious award for excellence from the Chartered Institute of Public Relations.

The Scottish Energy Minister also praised our extra efforts during this difficult time for our customers.

"I wanted to pass on my thanks and praise. The gas teams were amazing and gave such support to the community."



"Your YouTube videos really are a tremendous idea and an excellent way to get this kind of important information out there." - YouTube viewer

Learning from previous incidents we understood the need to communicate with large numbers of customers quickly and effectively. We developed the unique idea of having emergency information videos that would be specific to the incident and linked to our website. These would be created on site, with our own staff speaking, filming, editing and loading the footage onto our YouTube channel. Linking to our website in this way added value for our customers, the media, emergency services, local authorities and our own colleagues.

An example of the use of YouTube came when a burst water main just before New Year's Eve saw 1,800 customers in Orpington lose their gas. Four video updates produced by and featuring Communications Officer Hannah Brett, received a total of 1,200 views.

We received strong positive feedback on the initiative; we are now rolling the idea out to encompass information on our large scale mains replacement projects as well as incidents.

### Our vulnerable customers

Many of the customers our emergency service engineers visit are eligible for priority services but are not registered as vulnerable customers. Working with SSE plc we ran a pilot across two of our depot areas in Edinburgh and Sussex. Our engineers identified on their worksheets if a customer was potentially vulnerable and information relating to SSE customers was then collated. These customers were then contacted by our customer service team and advised that they could be eligible for priority services. We discovered however, that customers were reluctant to give permission for us to pass their details to their supplier for registration as vulnerable customers. In itself this finding is a valuable outcome of the trial. We have now shared our initial findings with National Grid with a view to embarking on a wider-reaching industry review to enable eligible customers to receive the services they are entitled to. In addition, our findings have been shared with Consumer Focus to aid in the debate with Ofgem on an overall way forward.



### Glenn's a winner!

Coordination of an efficient operational response across a number of incidents which minimised customer impact, ensuring joined-up working across all departments to maximise performance, collaboration with stakeholders and exceptional flexibility and commitment to the job were just some of the reasons why our Head of Operations (Southern) Glenn Norman was recognised with Manager of the Year from the IGEM/EUA Annual industry awards last month.





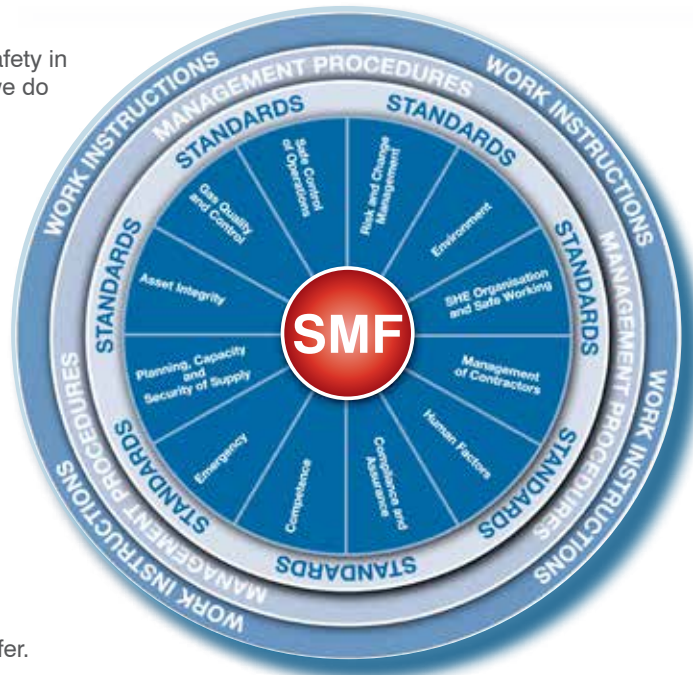
# Safety: Supplementary information

## New Safety Management Framework

Beyond the initiatives we have described to promote gas and CO safety in the communities we serve, we've been looking closely at 'the way we do things'. Staff feedback and external benchmarking identified the need to improve our safety management system. The opportunity was taken to review our many technical and safety documents and make them more reflective of our safety ethos and to present them in a clear, usable and more accessible format.

Over a two year period, we have developed a completely new safety management framework (SMF) that covers all aspects of our business including occupational health and safety as well as safety of the environment and safe operation of our network and assets. The SMF introduces 12 new goal setting Standards that are supported by new style management procedures and work instructions, all of which underpin delivering our desired technical and safety outputs.

Consistent application of our SMF is key to improving and sustaining our safety and business performance. It also protects and enhances our reputation by defining the standards we will apply in relation to how we manage risks, engineer our assets, protect the environment and maintain the health and wellbeing of our workforce and contractors - but crucially keep our customers safer.



## Avoiding cable damage

Understanding the difficulties caused when our own plant is damaged, we are keen to ensure our operatives protect the public, themselves and avoid any potential disruption to other utilities. Cable strikes are a real concern and we have been running a sustained campaign to reduce the number of instances where we cause damage. Our specific efforts to improve in this area have included:

- A damage avoidance group
- Roadshows involving more than 2,500 operatives/managers
- Stop for safety events
- Ongoing 'Strike for Safety' Campaign
- Purchase of improved cable detection equipment
- Use of air lances and vacuum excavators for excavation work.

We've created Cable (Plant) avoidance Task Cards, which provide our operatives with clear advice on how to avoid damage. Engagement with the local electricity companies gave them an opportunity to shape our actions.

We would take this opportunity to highlight that SGN's level of cable strikes has been decreasing. The successful reduction of cable strikes can be attributed to the interface meetings held between Scotland Gas Networks and Scottish Power Energy Networks.

- SP Energy Networks



We are now also using our YouTube channel to promote our 'Know what's below' message. As it is much better to avoid damages in the first place, we have commissioned a special video for customers who are planning home improvements, such as extensions or decking, explaining their responsibilities and offering our support in avoiding damage to our plant.

We've been actively engaging with the Roads and Utilities Committee and the Joint Utilities Damage Avoidance Forum about what their members need from us in terms of our plant protection service. Taking their feedback onboard, we now include full safety advice as an integral part of the mains map DVDs that we make available to third parties, with additional safety warnings being added to the maps themselves.





# Safety: Supplementary information

Quality of service Discretionary Reward Scheme 2012/13

## Recent safety highlights

**Third party damages to our assets reduced by 38%**

**Lost Time Injury Rate reduced from 0.25 in 2005/06 to 0.08 in 2012/13**

**Injuries to members of the public reduced from 37 in 2006/07 to 8 in 2012/13**

### Street works

Having already signed up for the Transport for London (TfL) streetworks code of conduct, we have gone further and adopted the code across all our networks. Backed up by a series of task cards to guide our operatives' behaviour, the code contains five pledges: be safe and tidy; always explain what is happening; always have activity on site; take up as little road/pavement space as possible; help keep traffic moving.

In support of all of this we have also introduced a new set of information boards to keep the public informed. We've had great feedback on their use and have seen a resulting drop in customer complaints.



**Accreditation to BS25999 (Business Continuity Management) retained.** As one of the first utilities to gain accreditation we are delighted to have retained it. This underlines our determination to maintain our essential services ensuring security of supply and the safety of our networks and operations.

**Working with National Grid Gas,** we have continued with in-house emergency call handling trials. A redesigned customer enquiry process demonstrates more consistent matching between the initially raised job and the emergency engineers' findings thus improving overall safety. This has prompted a wider debate with our regulator and encouraged the other GDNs to consider the implications of the trials successful outcome.

It's our second year working with **Girlguiding** developing a learning scenario around a 'camping' environment. 50,000 on-line hits have accessed information associated with the Guides Active Response badge, so it is pretty clear our safety message is getting out there.

We've also joined the 'Go Safe Scotland' group. Working with Scottish Government, this is a collaborative approach by local authorities, emergency services, utilities and others to develop a range of safety messages which has become part of the Scottish school curriculum. While our key message is around CO safety, we have also offered advice on electricity safety, responding to bogus callers and of course dealing with gas escapes. This programme ensures our safety message reaches around 60,000 children each year.

Working in partnership with



WE DISCOVER, WE GROW

**Girlguiding**

**Safety Centre Alliance**

Building on our relationship with Alliance members in our footprint area, we have, through its National Chair, facilitated similar arrangements for Alliance members in other

parts of the country. Bringing them together with contacts in their local GDN allows them the opportunity to deliver similar safety education programmes for children in their areas.

**In all, we are taking thousands of opportunities to spread our safety message!**

**We'll be taking our safety message to the Isle of Wight Festival!**



# Safety: Supplementary information

## Sharing our knowledge and helping others learn

This continues to be a key focus for our CO safety message. The Dominic Rodgers Trust camper van was well received at the 'Safetaysiders' event in Perth, particularly by the Stakeholder Manager of Gas Safe Register. This will also be appearing at the Royal Highland (Agricultural and Leisure) Show at Edinburgh, Glastonbury Festival and a number of county shows in southern England as the summer rolls on.



As a result of the hard work our staff have been doing in building links with youth organisations and promoting our safety messages, we have been invited to become a member of a cross-party parliamentary group on Accident Prevention and Safety Awareness.

### The dangers of carbon monoxide (CO)

Carbon monoxide (CO) is a poisonous gas that you cannot see and has no smell.

Spot the dangers in this comic strip.

1. Question: What should the little girl say?  
Answer: No it's \_\_\_\_\_

2. \_\_\_\_\_ use a gas stove inside a campervan!

3. Barbecues should \_\_\_\_\_ be taken inside. Even if the charcoal seems to have gone out it can still be a source of carbon monoxide.

6. Question: What piece of safety equipment could you take with you to your holiday home, to protect you from the dangers of carbon monoxide?

5. Tick all the symptoms of carbon monoxide poisoning.

Headaches <input type="checkbox"/>	Breathlessness <input type="checkbox"/>
Nausea <input type="checkbox"/>	Collapse <input type="checkbox"/>
Dizziness <input type="checkbox"/>	Loss of consciousness <input type="checkbox"/>

4. If you are unable to turn off all the gas appliances, find your gas meter and move the valve handle to turn the gas supply off.

6. Tell the operator your name, \_\_\_\_\_ and what the problem is when your gas appliance is on.

0800 111 999  
Gas Emergency, how can I help?

Question: Why should you check an identity card?

Insert these words into the blank spaces.

windows off address

What other piece of safety equipment could you have in your home to protect you from the dangers of carbon monoxide (CO)?



## The Silent Killer

CD is included in hard copy



Know what's below  
Protect yourself and your family





**Scotia**  
Gas Networks

## Safety – Gas Emergencies

# Smell gas?

Anyone who smells gas should follow these simple rules:

### Don't



Smoke or use any naked flames.



Touch any electrical switches – turning a switch on or off could ignite a gas escape.

### Do



Open windows and doors – this helps let out any gas and lets air in.



Turn off the gas supply at the meter (unless the smell of gas and the meter are in the cellar).



Make sure any gas appliances are turned off. Call the National Gas Emergency Number 0800 111 999\* - lines are open 24 hours a day, 365 days a year.

\* All calls are recorded and may be monitored

