



Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

Carbon Reduction Plan Template

Supplier name: SSE Utility Solutions Limited

Publication date: September 2024

Commitment to achieving Net Zero

SSE Utility Solutions Limited is committed to achieving net zero across all scopes of carbon emissions by 2050 at the latest. As a limited company under the SSE plc umbrella, SSE Utility Solutions Limited aligns with SSE plc's vision of being a leading energy company in a net zero world. To achieve this, our strategy is to create value for shareholders and society in a sustainable way by developing, building, operating, and investing in the electricity infrastructure and businesses needed in the transition to net zero. Sustainability is one of SSE's core values, defined as 'we do things responsibly to add long-term value'.

SSE plc aims to achieve net zero greenhouse gas emissions across scopes 1 and 2 by 2040 (subject to security of supply requirements) and for the remaining scope 3 emissions by 2050. SSE plc's long-term net zero ambitions are supported by a series of interim targets approved by the Science Based Targets Initiative (SBTi). These targets are aligned to the Paris Agreement and a 1.5°C pathway, and meet the strict SBTi criteria which requires that they cover scope 1, 2 and 3 GHG emissions. SSE plc's Net Zero Transition Plan¹ outlines SSE's net zero aligned targets and describes 17 actions to reduce material GHG emissions across scopes 1, 2 and 3.

As a national clean energy champion, SSE Plc has announced its Net Zero Acceleration Programme Plus.² The company has committed to investing around £10m a day to aid the transition to net zero and reduce reliance on imported sources of energy. This equates to an £18bn 5-year investment of capital expenditure to the end of March 2027.

SSE plc publishes a Sustainability Report³ on an annual basis, which provides an overview of the performance and progress against the business strategy. SSE Utility Solutions is included within the scope of this report.

¹ Net Zero Transition Plan: <https://www.sse.com/media/fplphyky/nztp-report-oct22-final.pdf>

² Net Zero Acceleration Programme Plus: <https://www.sse.com/media/chxjxih/nzap-plus.pdf>

³ SSE plc Sustainability Report 2024 [sse-plc-sustainability-report-2024.pdf](https://www.sse.com/media/fplphyky/sse-plc-sustainability-report-2024.pdf)

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2018⁴
Additional Details relating to the Baseline Emissions calculations.
Annually SSE Plc GHG data is assured by PwC ⁵ , which includes SSE Utility Solutions Limited data. There are some exclusions as stated in the GHG reporting criteria. ⁶ SSE Utility Solutions Limited constantly review standards and data points for materiality and relevance with a view to improving data quantity and quality annually. In 2022/23, SSE Utility Solutions Limited re-baselined it's data to include additional scope 3 emission sources that are now able to be reported. This had a minor impact on the carbon footprint. The carbon footprint is calculated on an operational control basis. As more reliable methods for data calculation become available, SSE Utility Solutions Limited will continue to improve the scope and data quality of it's emissions.

Baseline year emissions: 2018	
EMISSIONS	TOTAL (tCO₂e)
Scope 1⁷	1,779
Scope 2⁸	190
Scope 3⁹ (Included Sources)	313
Total Emissions	2,282

⁴ 2018 calendar year (January 2018 to December 2018)

⁵ PwC Assurance Statement: [Disclaimer related to PwC's limited assurance opinion | SSE](#)

⁶ GHG reporting criteria: [sse-s-ghg-and-environmental-reporting-criteria-2024.pdf](#)

⁷ Scope 1 includes stationary and mobile combustion equipment as well as fugitive emissions.

⁸ Scope 2 includes purchased electricity. Steam, heat and cooling are not purchased.

⁹ Scope 3 includes business travel (hotel, air, rail), grey fleet, employee commuting & homeworking, scope 3 electricity T&D losses and upstream leased assets. We are working to collect data for: upstream transportation and distribution, waste generated in operations, and downstream transportation and distribution.

Current Emissions Reporting

Reporting Year: 2023/24 ¹⁰	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	28
Scope 2	58
Scope 3 (Included Sources)	538
Total Emissions	625

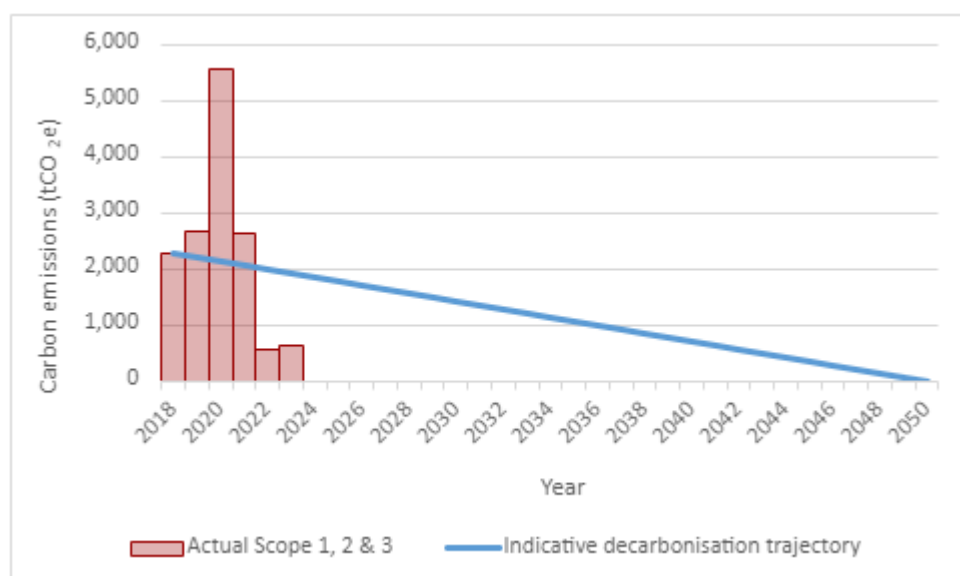
¹⁰ To align with SSE plc carbon reporting, SSE Utility Solutions Limited now reports on a financial year basis (01 April to 31 March annually).

Emissions reduction targets

To continue our progress to achieving net zero, SSE Utility Solutions Limited has adopted the following carbon reduction targets:

- **Scope 1:** Reduce the carbon intensity of scope 1 GHG emissions by 80% by 2030, from the 2018 baseline.
- **Scope 1 & 2:** Reduce absolute scope 1 and 2 carbon emissions by 72.5% by 2030 from the 2018 base year; from 1,969 to 541 tCO₂e.
- **Scope 3:** Reduce absolute GHG emissions from the use of products sold by 50% by 2034 from the 2018 base year.
- **Scope 1 & 3:** 100% of new company provided vehicles and hired vehicles up to 3.5t will be electric from April 2025.
- **Scope 3:** Engage with 50% of suppliers, by spend, to set a science-based target by 2024.

Progress against our 2050 net zero target can be seen in the graph below. The blue line indicates a linear reduction to zero carbon emissions.¹¹ In reality, due to market and technological factors it is unlikely our decarbonisation trajectory will remain constant. We have already achieved our 72.5% 2030 scope 1 and 2 carbon reduction target. There was a minor increase of 59 tCO₂e in our total emissions from 2022/23 to 2023/24, due to small increases in our scope 1 and scope 3 emissions. This is primarily from increased business travel and fleet vehicles as we continue to deliver on infrastructure projects and the number of construction and operational sites needing serviced. Overall, the percentage of electric vehicles across the Utility Services' fleet has increased from 55% in 2022 to 66% in 2023.



Note: The carbon reduction graph shows a 1,657 tCO₂e (73%) decrease in 2023/24 against the baseline. This is primarily due to the closure of the Chippenham power generation site. The 2020 spike was attributed to an increase in the market and operational demand during COVID at the Chippenham power generation site.

¹¹ SSE plc defines net zero as the point where emissions are as close to zero as reasonably practical using abatement solutions. SSE will neutralise any remaining emissions using removal solutions that counterbalance emissions that remain unabated.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The 73% reduction in carbon emissions in 2023/24 compared to the 2018 baseline is due to the closure of the Chippenham power generation site, and implementation of the following environmental management measures and projects:

- The business ISO 14001 certificate was renewed in 2024, following a successful recertification audit by 3rd party verifiers, NQA.
- In 2023/24, regular reporting via the online supplier data capture portal commenced at a number of the construction and operational sites, supporting improvement of the measurement of the scope 3 carbon emissions from suppliers working on our sites.
- Successful delivery of a contractor partners day, which provided information on carbon reporting and an introduction to the supplier online data capture portal, with the aim of helping to raise climate awareness with our suppliers.
- Encouraging carbon conscious practices within our supply chain through the application of the SSE Sustainable Procurement Code and by engaging suppliers to submit sustainability data to our Sustainable Performance Management and Ratings Tool¹², including their scope 1 and scope 2 carbon emissions data.
- We continue to contribute to the decarbonisation of our clients and the communities in which we operate through the delivery of key low carbon infrastructure:
 - In 2023/24, we completed the installation of the Myrekirk charging hub, Scotland's most powerful electric vehicle (EV) charging hub. This site features 24 ultra-rapid charging bays, a green roof to enhance biodiversity and a total capacity of almost 2.5 MW.
 - We have also delivered SSE's first ultra-rapid charging EV hub in Ireland. The Lough Sheever hub has been designed to accommodate electric heavy goods vehicles, as well as standard EVs.
- We are also supporting local authorities in delivering their transition to net zero through strategic partnerships. In 2023/24, this included signing strategic partnerships with Greater Manchester Combined Authority, West Midlands Combined Authority and Newcastle City Council, to provide local clean energy infrastructure and innovative decarbonisation projects across the regions.

¹² Sustainable Performance Management and Ratings Tool - [Ecovadis](#)

In future, we plan to continually improve our environmental performance through implementation of the following measures:

- Increased supplier engagement and delivery of contractor awareness days focused on environment, sustainability and climate action, to help identify how we can support suppliers in setting climate action targets and in their decarbonisation journey.
- Continued rollout of the supplier online data capture portal across all our construction and operational sites, to improve visibility of our scope 3 carbon footprint.
- Expand and improve our scope 3 carbon emissions data collection processes.
- Embed the carbon assessment questions within the project evaluation process for new and acquired assets, to screen new projects based on their likely carbon impact.
- Continue to support our suppliers to develop their net zero plans, allowing them access to learning material through our sustainability supply chain school partnership.

Declaration and Sign Off


This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹³ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting¹⁴.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard¹⁵.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:


Nathan Sanders (Oct 8, 2024 13:51 GMT+1)

Date: 08/10/2024

¹³ <https://ghgprotocol.org/corporate-standard>

¹⁴ <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

¹⁵ <https://ghgprotocol.org/standards/scope-3-standard>