



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 entity 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: October 2023

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 £18bn of capital expenditure by the end of March 2027.

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: 2018³
Additional Details relating to the Baseline Emissions calculations.

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

² Net Zero Acceleration Programme Plus: [nzap-plus.pdf](https://www.sse.com/media/fplphyky/nzap-plus.pdf)

³ 2018 calendar year (January 2018 to December 2018)

Annually SSE Plc GHG data is assured by PwC⁴, which includes SSE Utility Solutions Limited data. There are some exclusions as stated in the GHG reporting criteria.⁵ We constantly review standards and data points for materiality and relevance with a view to improving data quantity and quality annually. This year, we have re-baselined SSE Utility Solutions Limited's data to include additional scope 3 emission sources we are now able to report. This has had a minor impact on our carbon footprint. Our carbon footprint is calculated on an operational control basis.

⁴ PwC Assurance Statement: <https://www.sse.com/sustainability/policies-and-assurances/>

⁵ GHG reporting criteria: <https://www.sse.com/media/flejnebg/ghg-and-water-criteria-document-2022-23.pdf>

Baseline year emissions: 2018	
EMISSIONS	TOTAL (tCO₂e)
Scope 1⁶	1,779
Scope 2⁷	190
Scope 3⁸	313
Total Emissions	2,282

Current Emissions Reporting

Reporting Year: 2022/23⁹	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	25
Scope 2	63
Scope 3	478
Total Emissions	566

⁶ Scope 1 includes stationary and mobile combustion equipment as well as fugitive emissions.

⁷ Scope 2 includes purchased electricity. Steam, heat and cooling are not purchased.

⁸ 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.

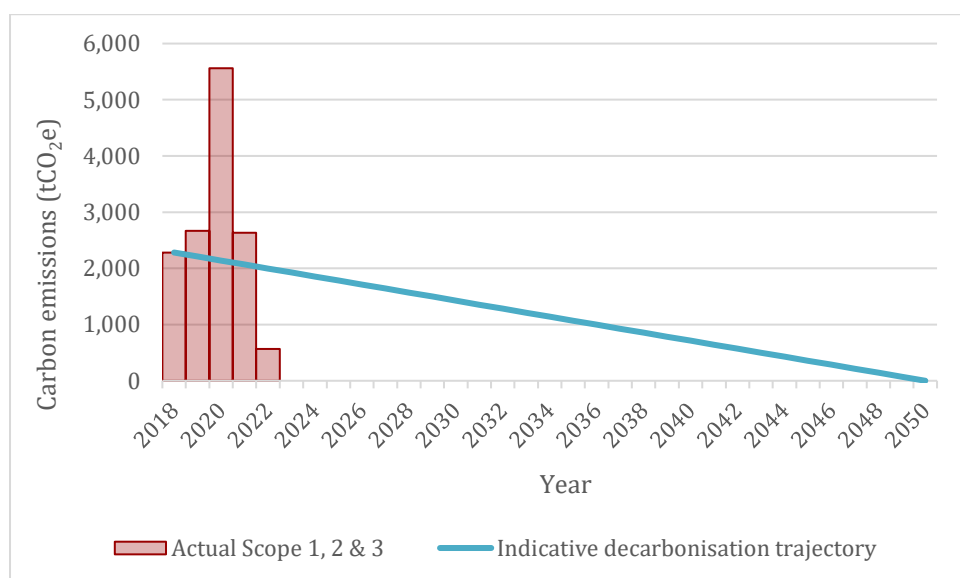
⁹ To align with SSE plc carbon reporting, SSE Utility Solutions Limited now reports on a financial year basis (01 April to 31 March annually).

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.¹⁰ 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.



Note: The carbon reduction graph shows a 1,716 tCO₂e (75%) decrease in 2022/23 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.

¹⁰ 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 following environmental management measures and projects have been completed or implemented since the 2018 baseline. The scope 1, 2 and 3 carbon emissions reduction achieved by these schemes equates to 1,716 tCO₂e, a 75% reduction against the 2018 baseline and the measures will be in effect when performing the contract.

Example carbon reduction projects include:

- Further embedding the ISO 14001 management system across the business. Our capability was audited and re-certified in 2023 by 3rd party verifiers, SGS.
- 55% of Utility Solutions' fleet vehicles were electric in 2022, an increase from 33% in 2021.
- We hired a dedicated Carbon & Climate Lead in November 2022. Key focus areas include:
 - broadening the range of Scope 3 carbon emission sources we are able to report
 - developing a strategy for the decarbonisation of our major emission sources.
- We have developed and piloted an online data capture portal to enable us to measure and report the carbon emissions from suppliers working on our construction sites.
- Participating in the Powering Net Zero Pact¹¹ Scope 3 Working Group which seeks to develop a consistent approach to understand and quantify scope 3 carbon emissions across the supply chain. The Powering Net Zero Pact brings together different companies across all tiers of the power sector – including civils, shipping, renewables, electrical engineering and others – that are committed to a fair and just transition to net zero carbon emissions.
- We are also helping to deliver low carbon solutions for our clients and the local communities in which we operate. In 2022, we opened our first ultra-rapid EV charging hub as part of a major new initiative to deliver 300 such hubs across the UK and Ireland within the next five years. Located on Glasgow's Castlebank Street, the six-bay EV charging hub is powered by traceable, renewable energy. The hub features ultra-rapid charging facilities of up to 150 kilowatts (kW) that can put drivers back on the road within 20 to 40 minutes of plugging in.
- In 2022, we began construction on our first 50 MW battery storage project in Salisbury. It is the first of our grid-scale solar and battery projects and will support access to clean, reliable energy by balancing the intermittency of renewables.¹²

In the future, we hope to implement further measures such as:

- Our new online data capture portal is to be used on all new construction projects and will improve our visibility of our scope 3 carbon footprint.
- Hold a Carbon Action supplier day to raise climate action awareness, outline our expectations of suppliers, and determine how we can assist suppliers on their decarbonisation journey.
- Developing a process to consider the carbon impact of new assets before they are operational.
- Support suppliers to develop their net zero plans, allowing them access to learning material through our sustainability supply chain school partnership.

¹¹ <https://www.sse.com/sustainability/poweringnetzeropact/>

¹² In May 2023, SSE Solar & Battery joined SSE Renewables: <https://www.sserenewables.com/news-and-views/2023/05/new-era-for-sse-solar-and-battery-as-it-joins-sse-renewables/>

- Expand and improve our scope 3 carbon emissions data collection processes and proactively innovate and implement new carbon reduction ideas.
- Continue to work with the company vehicle provider to phase out combustion vehicle options as part of the EV100 initiative we have signed up to.

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 UK Government emission conversion factors for greenhouse gas company reporting.¹⁴

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) Standard.¹⁵

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 \(Oct 3, 2023 12:57 GMT+1\)](#)

Date: **Nathan Sanders**

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>