

# ScottishPower Retail & Generation Policies



	<b>Name</b>	<b>Job Title</b>	<b>Date</b>
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<b>AMENDMENT RECORD</b>			
<b>Issue</b>	<b>Date Issued</b>	<b>Date Effective</b>	<b>Purpose of Issue and Description of Amendment</b>
<b>1</b>	<b>First Issue</b>	<b>November 2012</b>	
<b>2</b>	<b>November 2013</b>	<b>November 2013</b>	Minor change to Environment policy and sign off now on each policy.
<b>3</b>	<b>January 2015</b>	<b>January 2015</b>	Minor changes to H&S, Operational Integrity & Quality policies. Changes to BC policy. Added Industrial Control System Security Policy to document.

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## 1 Scope

This policy applies to all employees and relevant contractors working for and on behalf of ScottishPower Retail & Generation.

## 2 Applicable Documents

Generation IMS Manual    GEN-IMS-1000  
Retail Quality Manual    P2-OPS-QC-3.8.4-432  
Business Continuity & Crisis Management V8

## 3 Responsibilities

The ScottishPower Retail & Generation Management team is responsible for fostering and supporting a culture that promotes the intention of the contained policies and promotes and supports knowledge sharing.

All employees and contractors are expected to adhere to the Policies and Procedures, maintain accurate records and to share their knowledge relating to Retail & Generation assets for the benefit of ScottishPower Retail & Generation.

Our business policies will align to, and help us deliver the strategic goals prescribed by the business management team.



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## 4 Health & Safety Policy Statement

### Scope

This policy applies to all ScottishPower organisations, employees and operations.

### Purpose

It is ScottishPower's policy that health and safety must always be the priority consideration in the conduct of our operations and we remain fully committed to the achievement of our vision of a safe, healthy and enjoyable work environment that causes no harm to our employees, contractors, visitors and members of the public.

### Policy

Reflecting its commitment to global excellence in health and safety, ScottishPower's objectives are to:

- Provide arrangements to identify, evaluate, control and reduce health, safety and security risks, in accordance with legal requirements, in order to protect both people and business assets and minimise unplanned business interruption
- Provide a structure, encompassing good business ethics, that will ensure the effective management of health and safety across the Group, including the delegation of responsibility and accountability throughout appropriate levels of staff and the appointment of health and safety professionals
- Actively engage and involve employees and their representatives in our Health and Safety Management Systems and the continual improvement process
- Ensure that all employees are suitably trained to carry out their particular work activity in a competent and professional manner and acknowledging that failure to comply with any relevant health and safety duty which they are directly responsible or accountable for could be considered a breach of conduct and could potentially lead to disciplinary action being taken
- Promote the development of a positive health and safety culture based on fairness, trust and co-operation, where all employees are encouraged to report all health and safety deficiencies and/or breaches in compliance in a prompt and confidential manner
- Ensure that measures to deal with all possible emergency situations are suitable to the business requirements
- Promote the health & wellness of our employees by identifying and controlling workplace related health risks, and encouraging employees to be proactive about their health through supportive activities and communication
- Ensure that health and safety information, including safety plans and performance against targets, is provided to all employees
- Ensure that competent contractors are selected with high expectations established for their work
- Interact and communicate openly with all our stakeholders to maintain their confidence in our commitment to health and safety
- Maintain a dialogue with industry associations, and regulatory bodies to develop responsible laws, regulations and standards based on sound science and our experiences of risk
- Dutifully search for, and strive to exchange and implement knowledge and health and safety best-practice across all our businesses and employees
- Ensure that stretch targets are set and performance monitored to drive continuous improvement.

### Responsibility

The ScottishPower Co-ordination Committee is responsible for fostering and supporting a culture that promotes a positive health and safety performance at all times. The local Executive is responsible for implementing the principles and practices embedded in this policy. All employees are responsible for the health and safety within their work activities and are encouraged to take responsibility for their overall health and well-being.

### Review

This policy will be reviewed on an annual basis to ensure that it is current and relevant to all ScottishPower operations.



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## 5 Environmental Policy Statement

ScottishPower Retail & Generation, part of the Iberdrola Group, develops, operates and maintains a broad portfolio of power generation assets across the UK, and provides energy to consumers nationwide.

One of the Iberdrola core values is to Respect the Environment; this means that we consider and respect the environment in everything we do.

We aim to deliver “best in sector” environmental management by:

- complying fully with environmental legislation and other requirements
- reporting on and continually improving our environmental performance
- protecting and improving the environment, including preventing pollution
- building and maintaining trust through open, informative and timely communications

Our priorities include:

- Incorporating the consideration of environmental impacts into our planning, management and decision-making processes
- Evaluating technologies that offer the opportunity to reduce emissions to air or minimise the impacts from our generation fleet
- Providing energy efficiency solutions to our customers to help them reduce their energy consumption \*
- Providing customers with data to help them best manage their energy consumption and make informed decisions \*
- Achieving benchmark efficiency improvements through optimising plant efficiency and reducing energy, water and raw materials consumption
- Reducing waste generation and seeking opportunities to increase material recovery
- Maintaining biodiversity on our sites
- Ensuring employees and contractors are aware of, and able to deliver, what is required of them in order to minimise impacts on the environment
- Monitoring and working to reduce environmental incidents and acting in a timely and responsible manner if they occur
- Maintaining dialogue with government, its agencies and other stakeholders regarding environmental policy, energy efficient products and legislative developments to ensure the suitability of proposals
- Being a “good neighbour” within our surrounding communities
- Benchmarking our performance against other operators internal and external to the generation sector
- Evaluating commercial opportunities and developments that would complement the generation portfolio, whilst maintaining or improving environmental performance

Environmental management systems are in place, with objectives and targets set annually to deliver improvements consistent with our policy aims. These systems provide a structure that ensures effective environmental management, including the allocation of responsibilities and accountabilities across all staff. In order to deliver “best in sector” environmental management, the appropriate environmental behaviours must be adopted by everyone.

\* These priorities are specific to ScottishPower Energy Retail



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## 6 Business Continuity & Crisis Management Policy

Business Continuity Management and Crisis Management are essential elements of the assurance process, helping to manage the risk of adverse impact to ScottishPower Retail & Generation critical activities. The integration of planning and the overall management of these disciplines is vital in managing risk and maintaining a capability to successfully respond to business interruption or a crisis.

The purpose of this Policy is to ensure the Business Continuity Management and Crisis Management is controlled within a management system with clear lines of responsibility and accountability.

The policy outlines key responsibilities and authorities to ensure compliance with the Policy and the working practices of the management system, along with a Business Continuity Governance Group responsible for maintaining consistency across all UK operations. These steps provide assurance to the ScottishPower Executive Team that suitable controls are in place to effectively manage the system and respond to events in a planned and rehearsed manner.

ScottishPower Retail & Generation's response to a business continuity or crisis event will have the following objectives:

- Ensure the safety of employees, contractors and the public
- Maintain power generation and delivery to customers
- Manage the reputation of ScottishPower with all stakeholder groups, including shareholders, customers and the public
- Compliance with the legal and regulatory obligations during an interruption
- Limit the financial impact of any disruption

Although, at this time, there are no statutory or regulatory requirements for business continuity, the ScottishPower business continuity policy is designed to meet the requirements of its key stakeholders, including:

- Domestic and commercial customers
- Staff and contractors
- Shareholders and other interested parties

The objectives in respect of these key stakeholders are to:

- Minimise any disruption to the normal services provided to domestic and commercial customers; and,
- Ensure the appropriate management of risks that may result in significant impact or the demise of the business due to business interruption and any the subsequent impact to staff, contractors and shareholders



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## 7 Quality Policy

ScottishPower Retail & Generation is committed to delivering sustained value for our stakeholders by ensuring that we continue to work toward the achievement of the strategic goals prescribed by the business management team.

In order to ensure that the strategic goals of the business are realised we will:

- Recognise and understand the expectations of our customers and stakeholders, both internal and external, through regular meaningful engagement, in order to supply products and services that meet their expectations
- Continue to develop our processes and procedures as the business evolves, to ensure that we adhere to all necessary regulatory and legislative requirements and that our employees are provided with the information necessary to carry out their work effectively and efficiently
- Actively engage and motivate our employees through communication, training and performance monitoring at all levels of our business. The Retail & Generation Staff Recognition Scheme will be utilised to recognise and reward those employees who add additional value to the business
- Develop operational objectives that are clearly defined, measured and monitored ensuring that these reflect key business requirements and enable us to identify weaknesses and act upon opportunities for improvement
- Provide a framework for the identification of product or service non-conformances, whilst establishing a methodology for analysing and acting upon any trends to prevent the likelihood of re-occurrence
- Identify and share best practice across the business to ensure improvement opportunities are fully realised
- Identify, record, control and monitor business risks to ensure that they are being adequately controlled and mitigated
- Identify, record, control and monitor business change in relation to both organisational and technical change and develop a methodology for measuring the effectiveness of the process
- Develop a contractor management process that will ensure that adequate controls are implemented and measured, throughout the contract lifecycle
- Establish key performance indicators to measure the effectiveness of the business management system and ensure that they are transparent to all business stakeholders
- Implement a records retention and disposal policy that prescribes how records are controlled and monitored including details of retention periods and method of disposal

ScottishPower Retail & Generation has a commitment to operate a process to monitor, measure, analyse and continuously improve its Management Systems through our Audit Process which is based upon the current issue of ISO 19011.



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## 8 Operational Integrity Management Principles

Within ScottishPower, Operational Integrity is defined as:

*The application of processes and procedures for the identification, understanding and control of dangers, associated with the operation of Iberdrola's assets, which could result in a major incident. A major incident has the potential to result in serious injury or death to one or more employees, contractors or members of the public, damage to plant, lost production and environmental impact.*

Operational Integrity is applicable to all physical assets utilised in the Retail & Generation Business and shall be achieved through the adoption of the following process safety principles in the areas of plant, people and processes:

### Plant

- All physical assets shall be approved, installed, operated, maintained, modified and decommissioned in accordance with legal, industry and business standards, specifications, good practices and procedures
- All physical assets shall be managed during their life cycle within their technical limitations and constraints, in a safe, secure and environmentally sound manner, which shall be defined and understood by relevant staff
- All safety critical assets shall be identified and managed during their life cycle to ensure correct operation when required
- The risks for each plant will be assessed but with the key focus being those plants with the highest overall integrity risk and consequential impact

### People

- All tasks shall only be undertaken by staff who are trained, competent and appropriately authorised
- All staff shall achieve and retain safety critical competencies relevant to their role driven through appropriate training and measured against suitable competency frameworks
- Staff shall make informed decisions based on information which is correct, up to date, and readily available
- All staff must demonstrate and maintain a commitment to process safety at all levels of the organisation, developing a positive safety culture through robust processes, and maintaining ownership of the results

### Processes

- All accidents, incidents and near misses shall be reported and investigated; and root causes identified at the earliest opportunity
- Relevant incident, hazard, safety and environment information shall be communicated, sharing best practice internally and externally, to increase business knowledge and develop corporate competence in the field of Operational Integrity
- A risk control framework shall be operated that identifies, assesses and mitigates hazards associated with physical assets; risk shall be meticulously controlled and monitored across the business. This framework shall be reviewed periodically to ensure that it remains appropriate to the needs of the business
- A change control framework shall ensure the integrity of physical assets and associated systems and processes
- Indicators shall be used to monitor the vulnerability of processes to ensure that business risks are being managed effectively. Independent risk analysis shall take place at an appropriate level to validate the work carried out by operational risk managers

Senior management are fully committed to these principles and are responsible for their implementation within the business. All Retail & Generation staff, contractors and service providers are responsible for ensuring these principles are fully applied.





## 9 Industrial Control System Security Policy

Industrial Control Systems (ICS) are an integral part of the operation of ScottishPower Generation plants and security of these systems is essential to protect business operation. A risk based approach to ICS security will be adopted and a range of protection measures implemented to mitigate the risks. ICS security will be achieved through the implementation of the following principles in the areas of plant, people and processes:

### Plant

- ICS assets, software, configurations and external connections to the ICS network shall be identified in inventories. The inventories shall be reviewed periodically
- A range of physical security measures to prevent unauthorised access to ICS equipment shall be implemented
- A secure network architecture shall be implemented to restrict connections from outside the ICS network
- A range of software security measures shall be implemented to restrict unauthorised access to ICS systems, to restrict ICS devices from executing unauthorised applications or processes and to detect, isolate and remove any suspicious software
- A resilient ICS architecture shall be implemented and combined with backup and recovery processes to facilitate safe operation of the plant in the event of a software, hardware or power failure

### People

- An awareness campaign shall be undertaken to communicate the roles and responsibilities of individuals to protect the ICS
- Guidance shall be provided to personnel including relevant external third parties to define appropriate ICS security related activities and behaviours
- Incident response capabilities shall be established to enable sites to respond to an ICS security incident

### Processes

- A set of supporting processes and procedures shall be maintained to implement the ICS Security Policy. These processes and procedures shall be reviewed periodically
- Testing of the ICS security measures shall be undertaken periodically, including undertaking appropriate exercises
- A programme of audits shall be undertaken to monitor, measure, analyse and continuously improve the ICS security measures
- The implementation of this ICS Security Policy shall be overseen by a Governance Group including representation from appropriate senior management

Each of the principles noted above shall be applied as appropriate across the Generation business to mitigate the ICS security risks to an acceptable level.



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