



Trade associations climate review

Scope and methodology



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Scope and Methodology

Scope

Representatives from SSE Group (Sustainability, Corporate Affairs and Regulation) and relevant Business Units were asked to provide details of all their trade association memberships for an initial screening process. The core project team screened the complete list and used a slightly updated criteria to the conditions used during the 2020/21 base year review to determine whether to include or exclude each trade association from the review.

The criteria for inclusion were:

1. SSE was a member of the trade association between 1 April 2021 and 31 March 2022.
2. The annual membership fee exceeded £5,000.

All trade associations that SSE has joined after 31 March 2022 will be screened for review as part of SSE's trade associations climate review 2022/23. This review will be published during the autumn of 2023.

The rationale for excluding trade associations with membership fees below £5,000 is that such trade associations would hold less influence when lobbying for more ambitious national climate change policy in line with SSE's net zero ambitions and the goals of the Paris Agreement. Exceptions to this criterion have been updated in 2021/22. Exceptions were in place only for SSE's principal trade associations where the annual membership fee was below the £5,000 threshold. This exception applied to RenewableNI in 2021/22.

Previously, trade associations that were believed to have a material role in advocating for issue-specific or geography-specific climate-related policy had been included within scope. This update was made in to reduce bias and further align this review to SSE's Group Political and Regulatory Engagement Policy and Political Engagement Statement. Further details on SSE's principal trade associations can be found in SSE's [Political Engagement Statement](#) which can be accessed through the SSE Group Political and Regulatory Engagement Policy at [sse.com/sustainability/policies-and-assurances](https://www.sse.com/sustainability/policies-and-assurances).

SSE has also excluded trade associations for which it has no direct membership but holds membership through national associations. An example of this is Eurelectric where SSE is a member via Energy UK, Energy Networks Association and Electricity Association of Ireland.

This review assessed 18 trade associations of which SSE is a member. The associations that were considered in scope are listed in Appendix A, alongside whether they were included or excluded from the review and, if included, the status of their alignment.

Methodology

For the trade associations considered within scope for this review, SSE applied a bespoke methodology to assess its associations' positions on climate change. The detail of this methodology is provided below.

Determining key principles on climate change

To assess the alignment of trade associations with the goals of the Paris Agreement and SSE's net zero strategy, SSE established five key principles to reach net zero. These principles were drawn from SSE's Climate Change Policy, which aligns with the goals of the Paris Agreement, and further public statements of principle. All trade associations included in the scope of the review were assessed against these five key principles.

Data Collection

Members of the core project team engaged with colleagues who represented the SSE Group and SSE's relevant Business Units to explain the purpose of the review and to consult on the approach for data collection. A short survey was circulated amongst colleagues to be completed with the trade association memberships of their respective business areas. Once the surveys were completed, all responses were centrally stored on a database which was used by the core project team.

Data Analysis

Colleagues were asked to conduct desk-based research, using open-source information found on publicly accessible websites, publications, policies and quotes by organisation spokespeople in the media. Where possible, it was requested that the sources used for analysis were published within the 2021/22 financial year. However, sources produced prior to 1st April 2021 were also considered for this assessment.

When researching, internal colleagues were asked only to use primary data and use their subjective judgement in order to assess the trade associations' alignment with each of SSE's five key principles to reach net zero (see page 6 of the *Trade associations climate review 2021/22* available at [sse.com/sustainability/reporting](https://www.sse.com/sustainability/reporting)). To substantiate their judgement, each researcher was asked to provide direct evidence and a link to the source text where alignment was deemed to be achieved. The core project team used the links provided to validate the judgement on alignment.

Scoring methodology

Once all the survey responses were returned and validated, SSE applied a weighted scoring framework to the information gathered. A higher weighting was placed on trade associations' support for the goals of the Paris Agreement. Each trade association needed to show implicit support for the goals of the Paris Agreement and meet at least two of SSE's key principles on the acknowledgement of the threat of climate change, support of a carbon price, embrace innovation and seek a just transition to be considered as aligned to SSE's climate strategy and ambitions.

Trade associations were categorised into one of the following classifications based on their weighted scoring:

Aligned

Trade associations were deemed to be aligned overall to SSE's key principles on climate change if they:

- Support the goals of the Paris Agreement; and met two of the following criteria
- Acknowledge the serious threat of climate change;
- Support a strong carbon price;
- Seek a just transition to net zero; or
- Promote innovation.

Partially aligned

Trade associations were deemed to be partially aligned to SSE's key principles on climate change if they:

- Did not explicitly support the goals of the Paris Agreement; and/or
- Did not meet the threshold to be considered aligned to SSE's principles on climate change but did not hold opposing positions.

Opposing

Trade associations were deemed to be opposing if they were found to be advocating in contradiction to any of SSE's five key principles on climate change.

Areas for development

The analysis and findings of this review are reflective of the subjective opinion of SSE. Throughout data collection and analysis, SSE sought to maintain consistency and fairness when reviewing the trade associations that were considered within scope, utilising a validation process intended to reduce discrepancy between trade association alignment. However, SSE does acknowledge that requesting different individuals to conduct research independently of each other on a similar topic relies on a certain degree of interpretation and individual opinion. This can present individual bias in the results, however the validation process was designed to reduce this risk, as mentioned in the *Data Analysis* section.

As stated in the *Methodology* section, SSE used only open-source information found on publicly accessible websites. Where sufficient information was not readily available online, SSE assessed whether a trade association was implicitly aligned to the five key principles on climate change and did not engage directly with the trade association. To build on this initial review, SSE will seek to engage directly with trade associations in 2022/23 to determine further their alignment to SSE's five principles.

Finally, whilst SSE assessed its trade associations against five high-level principles to reach net zero, it recognises that these principles do not cover all of SSE's views on climate change. To ensure that most if not all of SSE's opinions on climate change are covered, a review of the five key principles to reach net zero will be performed during the 2023 assessment to ensure the methodology remains appropriate.

Appendix A: SSE's trade association memberships

Trade association	Overall alignment to SSE's key principles to reach net zero	Included in scope?
Association of Decentralised Energy	Aligned	Included
Association of University Directors of Estates	Aligned	Included
Carbon Capture & Storage Association	Aligned	Included
Electricity Association of Ireland	Aligned	Included
Energy Networks Association	Aligned	Included
Energy UK	Aligned	Included
Global Wind Energy Council	Aligned	Included
Hydrogen UK	Aligned	Included
International Hydropower Association	Aligned	Included
Irish Business and Employers Confederation	Aligned	Included
Japanese Wind Power Association	Partially aligned	Included
Netherlands Wind Energy Association	Partially aligned	Included
RenewableNI	Aligned	Included
RenewableUK	Aligned	Included
Scottish Renewables	Aligned	Included
Solar Energy UK	Aligned	Included
Wind Energy Ireland	Aligned	Included
WindEurope	Aligned	Included

Trade association	Overall alignment to SSE's key principles to reach net zero	Included in scope?
American Clean Power Association	n/a	Excluded
British Vehicle Rental and Leasing Association	n/a	Excluded
Confederation of British Industry - NI	n/a	Excluded
Irish District Energy Association	n/a	Excluded
Irish Solar Energy Association	n/a	Excluded
UK District Energy Association	n/a	Excluded
UK100	n/a	Excluded
Women In Transport	n/a	Excluded
Zemo Partnership	n/a	Excluded