



**Annex**

**A11.03 – Environmental benchmarking**

**December 2019**

As a part of the NGET Business Plan Submission

**nationalgrid**

## Environmental Action Plan Industry Benchmarking

June 2019

To develop the Environmental Action Plan, industry benchmark was carried out to ensure the plan was ambitious and reasonable. A summary of the benchmarking is included in the table below. The table also shows our current industry position in these areas and where we plan to be in future based on our targets.

Target (What)	Current Position	Future Position (end of T2)	Industry Benchmark
Reduce carbon emissions from insulating gases by 20%	Expected	Expected	<ul style="list-style-type: none"> <li>TenneT, a European TO, has a leakage rate target 0.2% by 2020 vs EU legal limit of 0.5%. They had a leak of 0.3% last year. For comparison, our leak rate last year was 1.33%.</li> </ul>
General business carbon reduction	Expected	Expected	<ul style="list-style-type: none"> <li>Scottish Power Networks has a carbon reduction target of 80% reduction by 2030 and a carbon neutrality target by 2050 There is no specific mention of SF6 targets</li> <li>SSEN plans to set a science based target for their electricity transmission business</li> </ul>
Reduce carbon emissions from operational transport	Expected	Leader	<ul style="list-style-type: none"> <li>TenneT want to have carbon neutral substations, offices and mobility by 2020</li> <li>EV100 is a global initiative committed to accelerating the transition to electric vehicles (EVs) Utilities like EDF, EON, BT, Delta and Heathrow are members</li> </ul>
Reduce carbon emissions from our business mileage	Expected	Expected	<ul style="list-style-type: none"> <li>Jacobs and Motts (infrastructure companies) have a set a corporate policy for employees to choose rail first and justify when there is a requirement to use a car</li> </ul>

Purchase 100% of electricity we use from renewables	N/A	Expected	<ul style="list-style-type: none"> <li>RE 100 - 10% of FTSE 100 companies already committed</li> <li>It is now an expectation from CDP in order to be in the A-List (highest scoring the area for leadership).</li> </ul>
Achieve carbon neutral construction	Leader	Leader	<ul style="list-style-type: none"> <li>Skanska have set a carbon neutral construction target by 2045 (this includes construction and whole business) in 2018/19.</li> <li>From 2013, 56 leading organisations pledged to cut carbon in infrastructure, of which 80% have improved their carbon maturity. PAS 2080 was published in 2016 as a key output of the ICR.</li> <li>Heathrow have committed to a carbon neutral expansion</li> </ul>
Extend the life of equipment by refurbishment	Expected	Expected	<ul style="list-style-type: none"> <li>The Government's Resources and waste strategy reference circular economy and extending asset life</li> </ul>
Reducing the waste intensity of our construction projects year on year	Expected	Expected	<ul style="list-style-type: none"> <li>Waste intensity for construction is an established standard for buildings.</li> <li>BREEAM 2018 contains targets on waste intensity</li> <li>We want to prolong the lives of the materials and goods that we use, and move society away from the inefficient 'linear' economic model of 'take, make, use, throw'.</li> </ul>
On construction projects, we will achieve zero waste to landfill with increasing recycling & composting rates year on year	Expected	Expected	<ul style="list-style-type: none"> <li>The Resources and Waste Strategy for England states the UK's ambition to become a leader in resources efficiently and reducing the amount of waste</li> <li>BREEAM 2018 include targets on this</li> </ul>
We will recycle our operational waste	Expected	Expected	<ul style="list-style-type: none"> <li>EU Circular Economy Package, target of 65% recycling of municipal waste (household and small businesses) by 2035</li> </ul>
Increase the amount of recycled materials used on construction projects	N/A	Expected	<ul style="list-style-type: none"> <li>Cross rail achieved 36%</li> </ul>
Implement circular economy principles across the business.	N/A	Expected	<ul style="list-style-type: none"> <li>The Ellen McArthur Foundation CE100 is a group of businesses that aim to provide a pre-competitive space to learn, share knowledge, and build new collaborative approaches.</li> <li>Waste to Wealth Working group set up by BITC is looking at circular economy in the build environment. We are members.</li> </ul>

Increase environmental value of non-operational land by 2% per annum against a Natural Capital/ Biodiversity baseline (90 hectares)	Leader	Leader	<ul style="list-style-type: none"> <li>Natural Capital Task Force run by the EIC (Environmental Industries Commission) recently been set up to promote net gain.</li> <li>25 Year Environment Plan includes Natural Capital</li> </ul>
Deliver Net Gain in environmental value (including biodiversity) on all construction projects (including those delivered by third parties)	Leader	Leader	<ul style="list-style-type: none"> <li>Net Gain is increasingly being incorporated by businesses, as net gain in construction is being put in planning.</li> <li>25 Year Environment Plan includes Net Gain</li> </ul>
Senior management accountability to environmental performance	N/A	Expected	<ul style="list-style-type: none"> <li>SSE, and Shell have stated they will do this</li> </ul>
An engaged workforce on environmental issues that lead by example	Expected	Expected	<ul style="list-style-type: none"> <li>IEMA guidance on behaviour change being fundamental to deliver a fair/sustainable transition</li> </ul>
Be an environmental leader for the energy industry	N/A	Leader	<ul style="list-style-type: none"> <li>This is an expectation for a sustainable business</li> <li>CDP A list rating of A for 3 years in succession</li> </ul>
Sustainability is fully embedded in our decision making	Leader	Expected	<ul style="list-style-type: none"> <li>TenneT uses a carbon price of \$30 per tonne.</li> <li>We also sit in the Accounting 4 Sustainability (A4S) who promote carbon pricing</li> <li>Exon is using \$80 per tonne,</li> <li>Shell is using \$40 per tonne,</li> <li>Centrica is using \$29 per tonne.</li> </ul>
Transparency to stakeholders on sustainability performance	Expected	Expected	<ul style="list-style-type: none"> <li>This is an expectation for a sustainable business</li> </ul>
Educate the public more on environmental issues through our education centres, community events and the role of energy and its impact	Leader	Leader	<ul style="list-style-type: none"> <li>Education and outreach is an expectation for a sustainable business, we go above for our communities by having centres focussed on environmental as well.</li> </ul>
We will work collaboratively with the other Transmission Operators throughout T2 to develop a consistent approach to capital carbon management & Net gain/Natural Capital	Leader	Leader	<ul style="list-style-type: none"> <li>This has been identified by the TO's as the right thing to do</li> </ul>