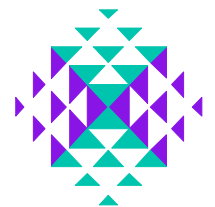
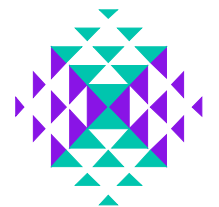


Gordon Irving
Director of Group Security
ScottishPower plc

2nd March 2007



- ScottishPower Overview
- Business Continuity within ScottishPower
- Why BS25999



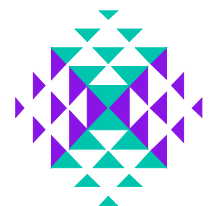
Company Overview

ScottishPower plc is an international energy business listed on both the London and New York Stock Exchanges. The company's annual turnover in the year to 31 March 2005 was £6,849 million / \$12,945 million

The portfolio includes thermal coal-fired power stations, combined cycle gas turbine (CCGT) stations, hydro-electric schemes, pumped storage generation and substantial wind capacity.

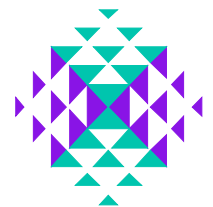
The output from stations is used, along with electricity acquired under contract from other generators, to meet demand in our home territories of southern Scotland, Merseyside, Cheshire and North Wales, and to serve customers elsewhere in the UK.

As well as generating electricity, Scottish Power operate and maintain large power delivery networks and provide a full range of energy supply services, including metering, billing and call centre support



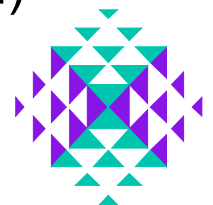
BCM Problems

- Utilities are extremely diverse organisations
 - Trading (Electricity, Coal, Gas, Carbons, Biomass, Oil)
 - Generation (the power stations)
 - Transmission (the lines)
 - Supply (the customers)
- Massive challenge to implement meaningful and enduring business continuity management
- Expertise, business knowledge or BC knowledge?



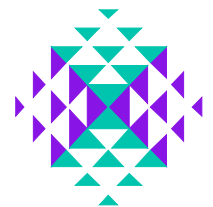
Solutions Tried

- Make the emergency managers responsible
 - All utilities have mature emergency management structures (regulated).
 - Emergency Management and BCM seen as distinctly different in the utilities sector (in general)
- Make the risk managers responsible
 - As with most Plc's risk management is a requirement of the combined code
 - However, BCM has historically been seen as an IT / FM driven activity and risk management departments were happy to leave it there and audit. (bayonet the wounded)



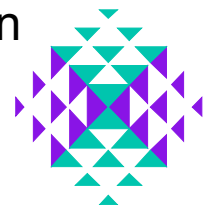
Business Continuity Management Leverage

- Scottish Economy
 - Company supplies circa 60% of the generating capacity in Scotland and exports to the rest of the UK
 - The company employs 14,000 has Over 5.1 Million Customers
 - 7 Billion £ turnover
- Ultimately the focus came from
 - External Audit
 - Internal Audit
 - Joint Ventures



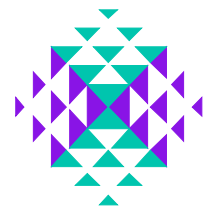
ScottishPower Key Drivers

- **Key Drivers Contextualised to BCM**
 - **Safety**
 - Ensure that the safety of the public, ScottishPower employees and contractors are paramount during business interruption
 - **Power Delivery**
 - Manage the risk of ensuring a safe and secure network during periods of business interruption
 - **Stakeholders**
 - Manage the risk of adverse impact to stakeholders during business interruption from the perspective of customer service, public image and brand reputation
 - **Legal and Regulatory**
 - Comply with the appropriate legal and regulatory objectives during periods of business interruption
 - **Financial**
 - Manage the risk of financial impact during business interruption



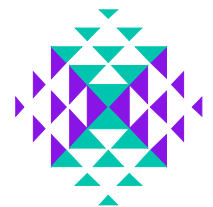
Why BS25999

- The standard allows businesses, large and small, to measure their business continuity practice and set the agenda for implementation against a common point of reference.
 - Selfishly..../
 - The implementation of the standard allows us to build on our expertise within emergency management and move to a holistic management system covering all areas of business continuity practice within integrated risk management.
 - It's hard for the board to ignore, It's as simple as that.

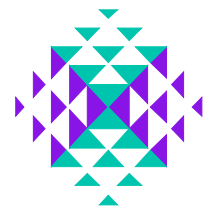
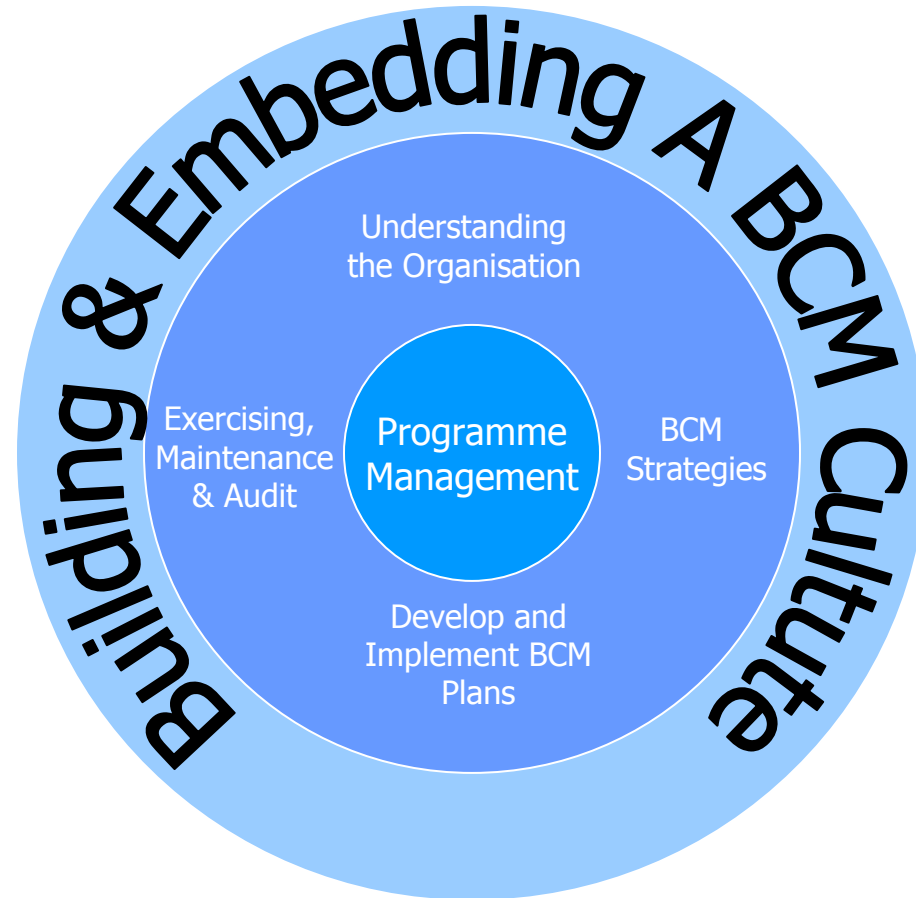


Why BS25999

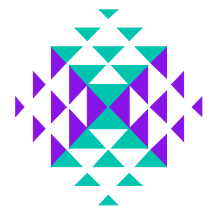
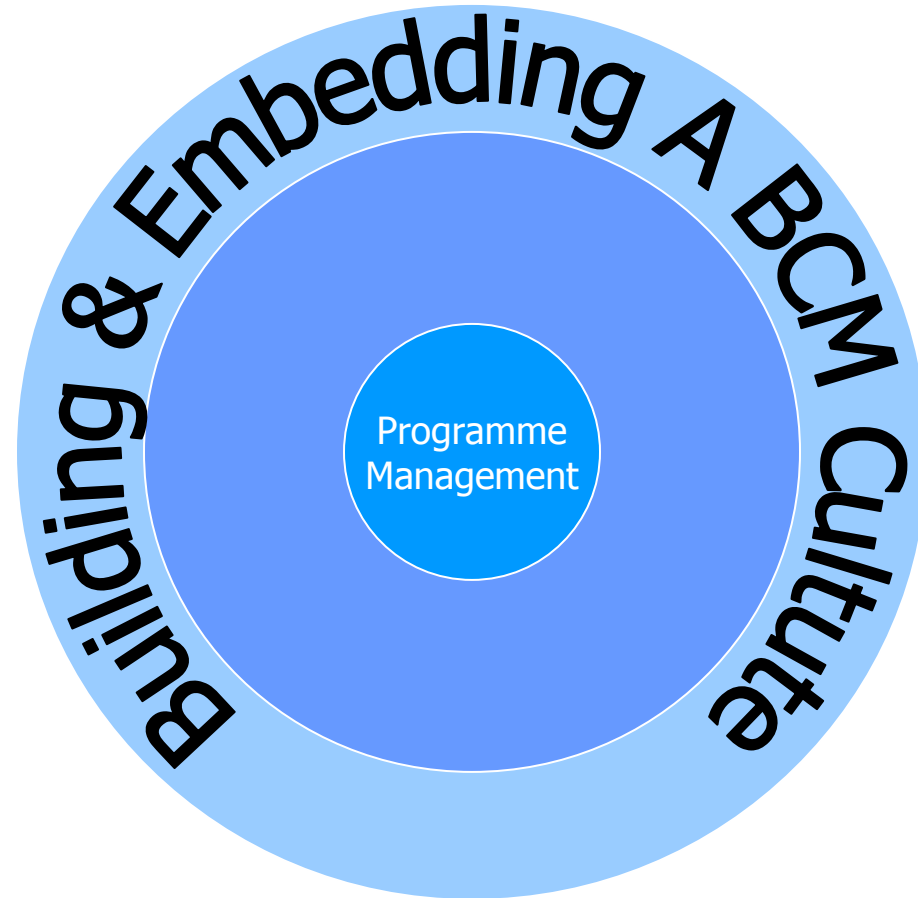
- Meaningful and enduring business continuity management
 - This is a recognisable management system
 - Measurement of performance
 - KPIs can be aligned to company standards for BCM
 - Plan development, training, testing, maintenance, reporting etc.



BS25999

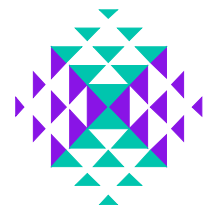


Programme Management

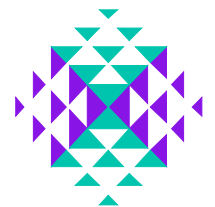
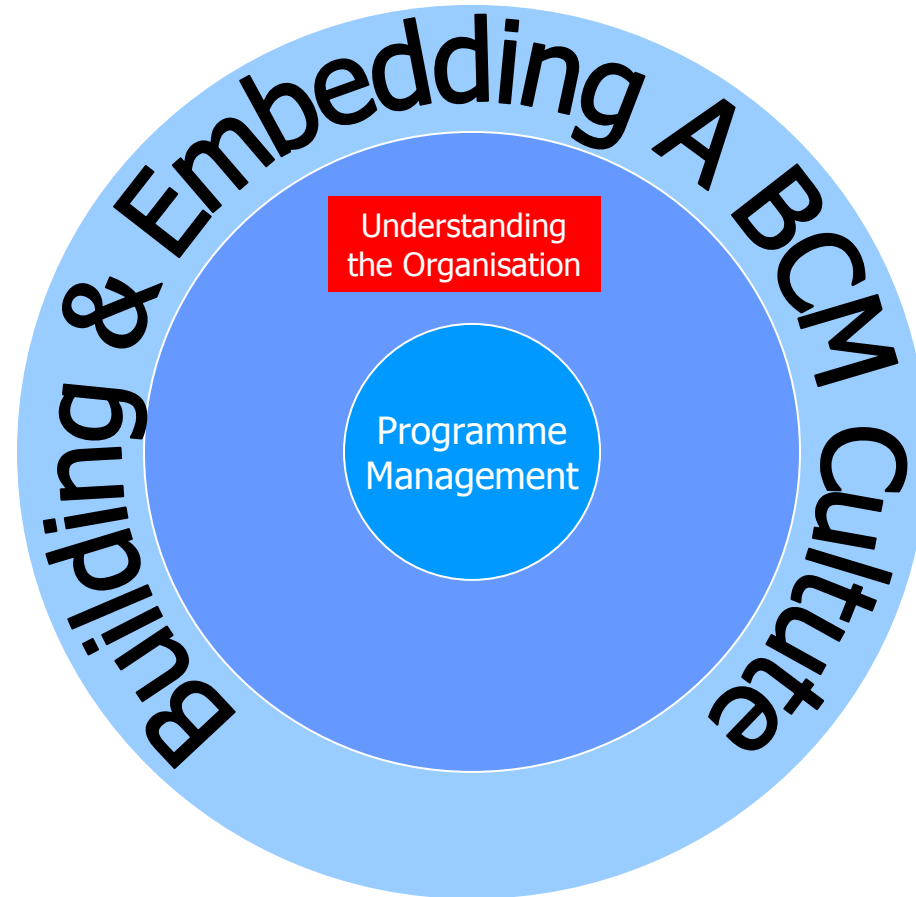


Programme Management

- The business continuity management policy (**Fundamental Foundation**)
 - The establishment of the key company drivers for Business Continuity Management
 - Standards of practice and the ability to measure
 - Defining the scope
 - Not all activities, limited to those that impact company drivers
- BCM programme management
 - Enduring controls
 - Training (the churn in BC managers)
 - Plan leaders, staff awareness

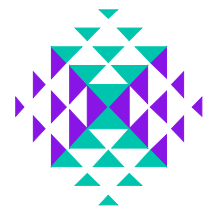


Understanding the Business

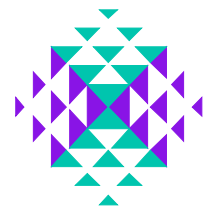
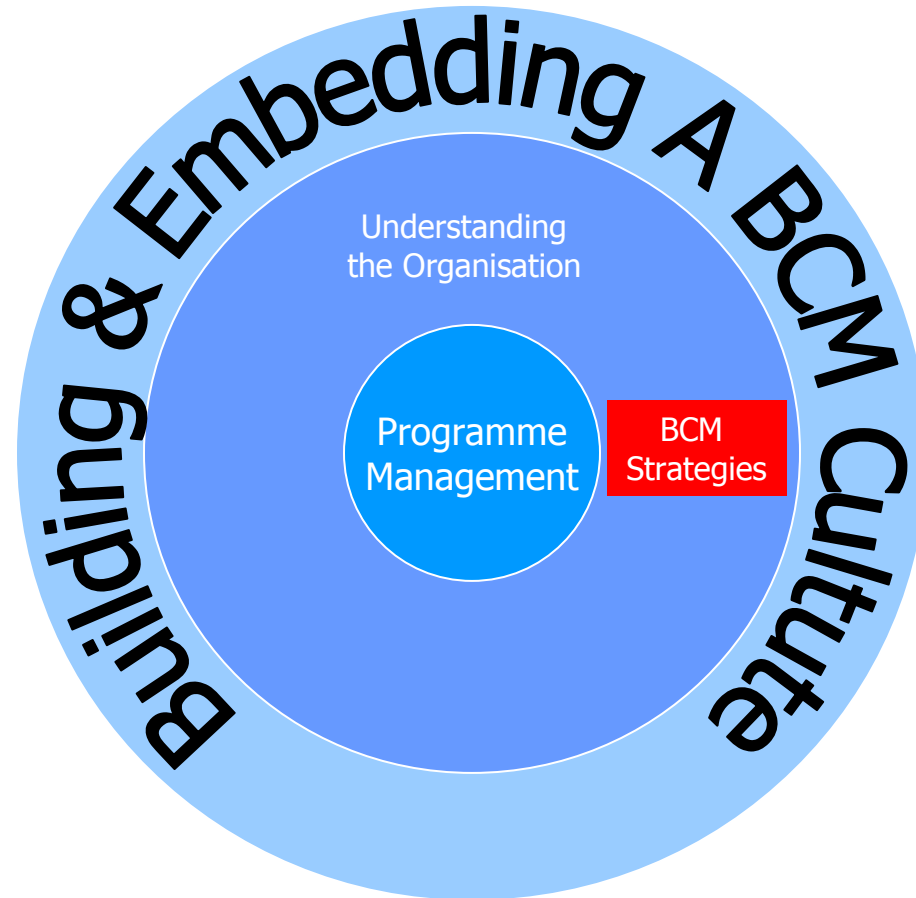


Understanding the Business

- Understanding the business
 - BIA objectives, stakeholder obligations, statutory duties and the environment in which the organisation operates (reflected in Policy, drivers for measurement)
 - reliance on external organisations, and reliance placed upon by others.

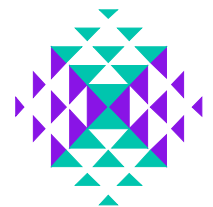


BCM Strategy

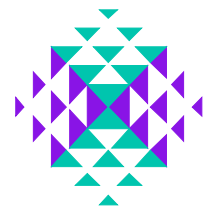
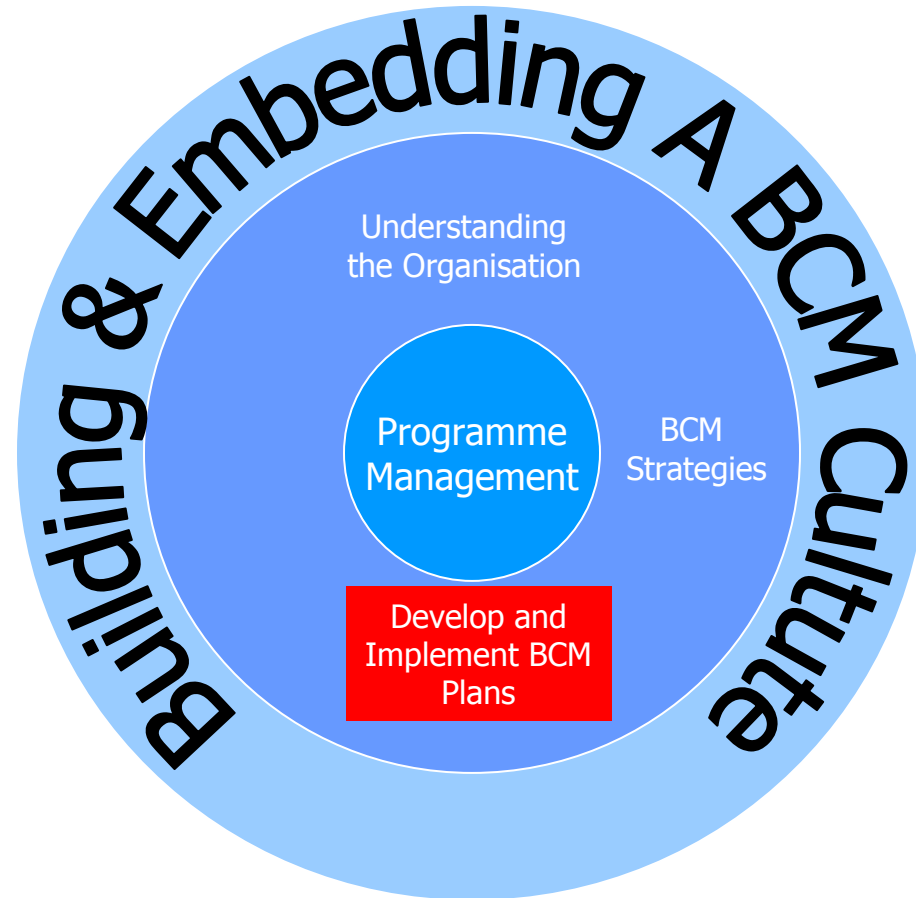


BCM Strategy

- Determining business continuity strategy
- Consider:-
 - All Activities
 - Costs
 - Consequence of inaction
- Reduce Likelihood of Incidents
- Provide Continuity of Critical Activities

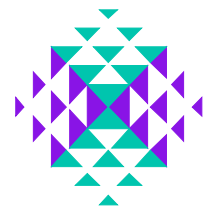


Develop and Implement Solutions

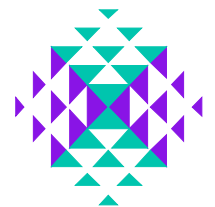
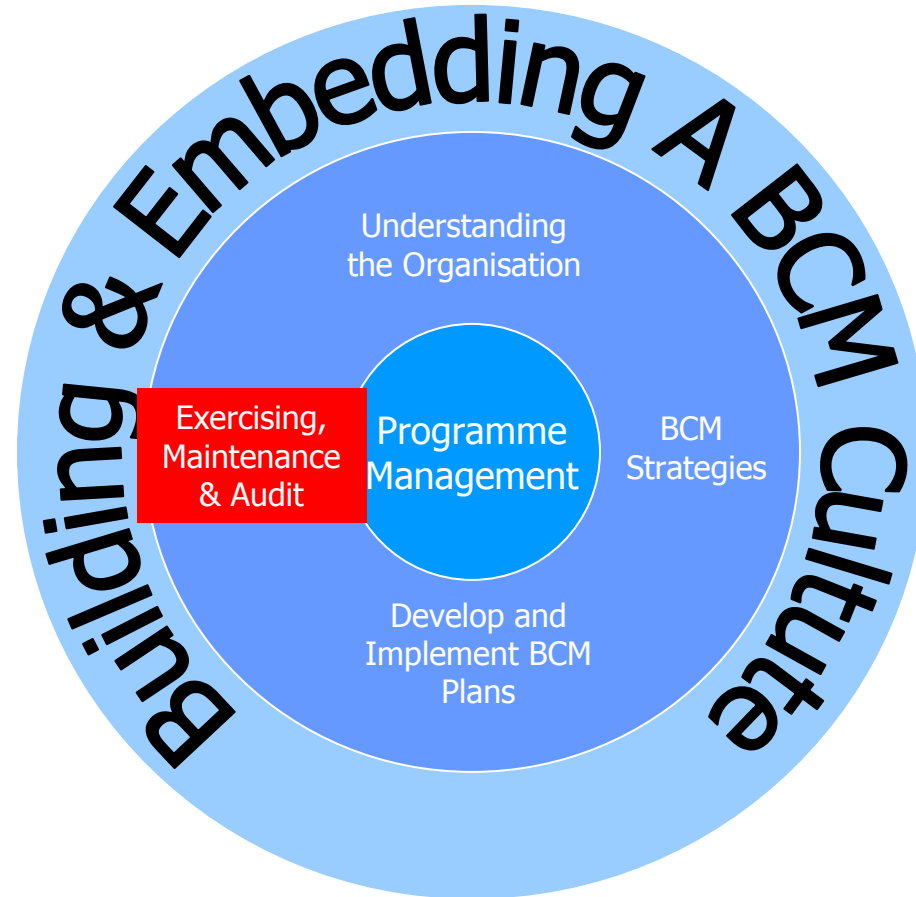


Develop and Implement Solutions

- Developing and implementing a BCM response
 - **Focus on the critical**
- Identify its critical activities, Evaluate threats to these critical activities;
- Choose appropriate continuity strategies to reduce the likelihood and impacts of incidents; and choose appropriate continuity strategies that provide for the recovery of its critical activities.

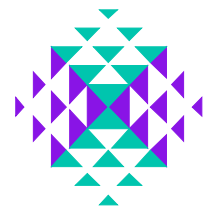


Exercise, Maintain and Audit

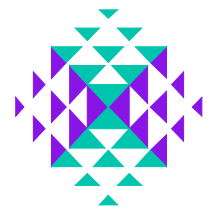
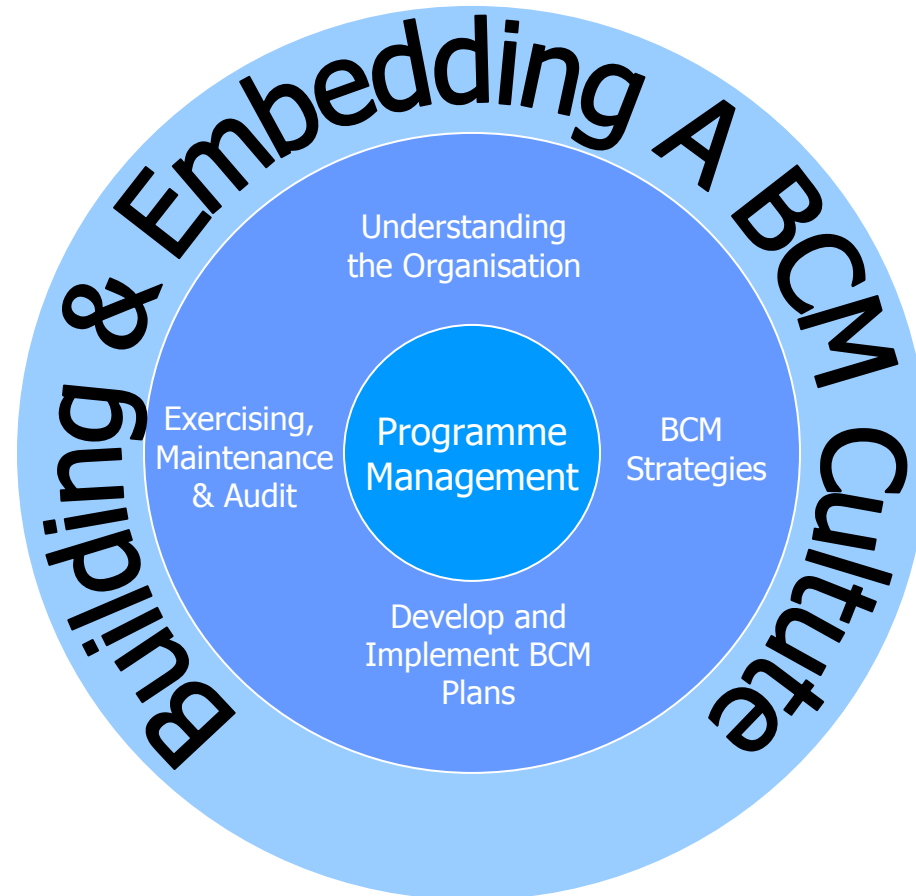


Exercise, Maintain and Audit

- Exercising, maintaining and reviewing BCM arrangements
 - We would all agree that this is fundamental to understanding your capability

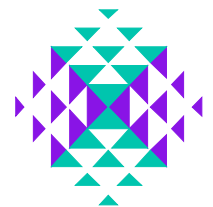


Embedding a BCM Culture



Embedding a BCM Culture

- Embedding BCM in the organisation's culture
 - If you deliver against:
 - BCM programme management
 - The business continuity management policy
 - Understanding the organisation
 - Determining business continuity strategy
 - Developing and implementing a BCM response
 - Exercising, maintaining and reviewing BCM arrangements
 - The default position is that you have embedded BCM within the organisation



Thank You

