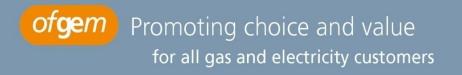




Project TransmiT

Hannah Nixon
Partner, Smarter Grids and Governance
Stakeholder Event, London
11 August 2011





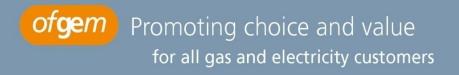
Project TransmiT

Welcome!

- What is Project TransmiT?
- Overview of the process
- Activity since our last stakeholder event
- Objectives and agenda for today

We are committed to conducting a transparent and open review Your views are essential

Genuine engagement and collaborative working is the key to success





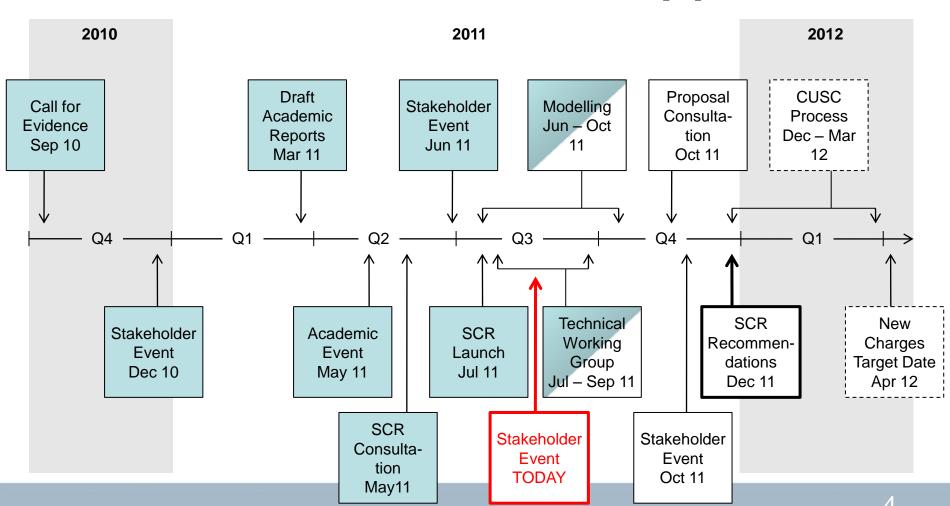
Project TransmiT

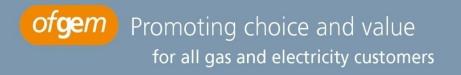
- An independent and open review of transmission charging and associated connection arrangements
- Aiming to facilitate timely transition to low carbon energy sector while continuing to provide safe, secure, high quality network services at value for money to existing and future consumers
- A direct response to the challenge of efficiently delivering the low carbon economy and continued security of supply
- For transmission, scope limited to TNUoS charges





Process to set clear direction by year end







Activity since our last stakeholder event

Options for Change

Postalisation

- uniform TO charges
- uniform SO charges
- uniform energy price

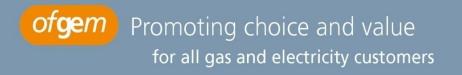
Improved ICRP

- improved locational TO charges
- uniform SO charges
- uniform energy price

Themes

- 1. Reflecting characteristics of users
- 2. Geographical differentiation of costs
- 3. Treatment of security provision
- 4. Reflecting new transmission technology
- 5. Unit cost of transmission capacity
- 6. G:D split

- Define postalised and improved ICRP charging models the Technical Working Group
- Model impact on generation despatch, transmission investment, renewable generation and achievement of environmental targets – Redpoint Energy





Objectives for today

- Update you on progress
- Provide more detail around the work of the Technical Working Group and the modelling:
 - Approach to the work
 - Progress and the issues being explored
- Explain the next steps
- For us and others to hear your views on what we need to consider as we deliver TransmiT





Outline of the afternoon

Now

- Update from the Technical Working Group Ivo Spreeuwenberg, NGET
- Update on the modelling work Duncan Sinclair, Redpoint Energy

Tea (3.45pm)

- Panel discussion Ofgem, NGET, Redpoint
- Next steps

Close (5pm)