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Central
Networks

Future Role of Networks

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Future Role of Networks

Context

Facilitating Distributed Generation

DNO Carbon Footprint

Role of the DNO in a Low Carbon World

Building the Platform



Context

We have three key objectives for DPCR5:

environment:

customers:

networks:

Each of these objectives require DNOs to play a more active role in setting the priorities and strategies for their businesses based on a clear understanding of their customers' needs.

These objectives reflect our statutory duties and events since the current price control was set, with the most significant event being the increased priority placed on tackling climate change as reflected in new legislation being introduced at a European and national level.

Engage and lead, not watch and follow....



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Facilitating Distributed Generation



Connections Information

- Active, and web-based LTDS
- LTDS 'Back Office' - support to potential DG connect
- More frequent update of strategic data – Week 24 / L7

Connections Service

- Expand resources – costs ring-fenced from Indirects
- Develop standardised processes across UK

Connections Contributions

- Locational signals and benefits provided via UOS charges
- Shallow charge for DE - consistent with NGO
- Appropriate recovery of uncertain network costs

Active Networks

- Expand resources – create space for innovation and application

Technical Standards

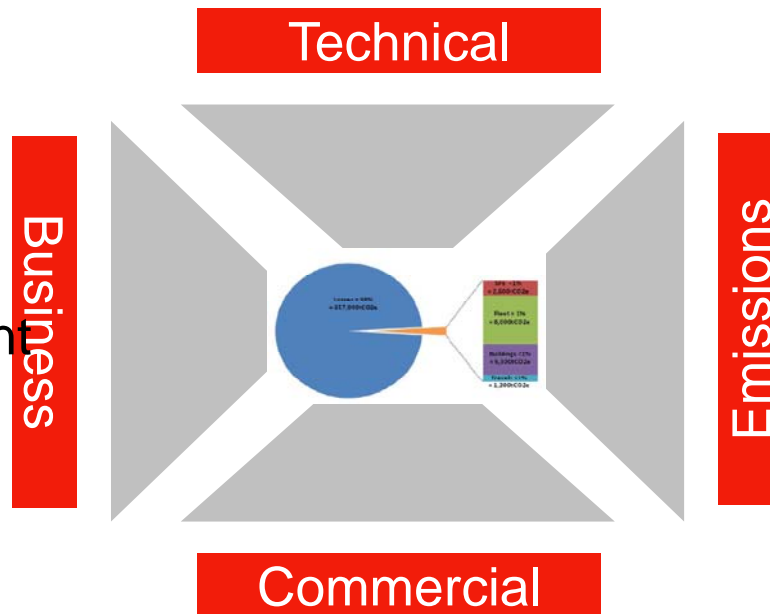
- Assess each DG connection for ANM potential
- Support development of P2/6 contribution to security
 - P2/6 and IIS derogation where appropriate

Carbon Footprint

- Install lower loss plant / cables
- Improve operational site and customer efficiency
- Include losses as part of a future review of design / security



- Industry framework for consistent measurement



- DNOs minimal impact
- Little technical choice
- Industry framework
- R and D for alternative

- Need losses incentive that links more directly to carbon reduction
- 'Quasi output' reward mechanism – calculated benefits

Building the Platform for Distributed Generation



Identify requirements at each stage

EU Low Carbon Targets



UK Low Carbon Targets



Distributed Energy Contribution



Generic GSP Impact

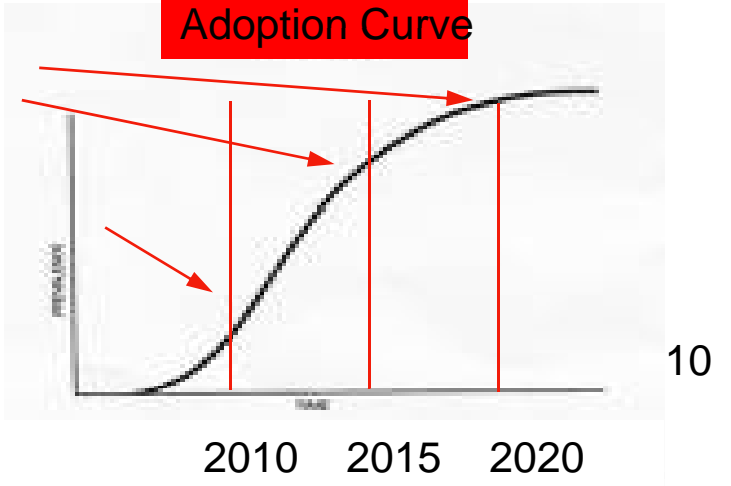


Locations With DG Resources



Known DG Schemes

Adoption Curve



DR5 Plan

Log up costs

Plan for 'DG ready' network

Plan DG connections

Summary



Facilitating DG

Build resource - move to proactive position
Society to meet network reinforcement cost?

Carbon Footprint

Quasi-output measure to replace Losses Incentive
Revise revenue driver

Future Role of DNO

Transition to 'The Aggregator'

Building the Platform

Identify today's actions and build plans