

RSWG Meeting – 3/05/12

SSEPD – TOTEX Efficiency



Background

- **Customers' expectation**

- Willingness to pay
- Minimising costs through minimising investment
- Recognising network security of supply standards
- Managing level of network risk
- Availability of capacity

- **Challenge for DNOs**

- Achieving all of the above with no increase in Totex
- Achieving this through efficient investment and innovation
- Impact of electricity pricing
- Impact of the present economic situation
- Impact of energy efficiency measures
- Impact of embedded generation

Managing Network Risk

- **Delivering Load Index improvement at lower costs**
- **Considering**
 - Demand forecasts
 - Connections growth (demand and generation)
 - Developing the network for the future
 - Enhanced transformer ratings (fans and pumps)
- **DNO objective is to outperform the plan**
 - Delivering outputs at lower cost
- **What is DNO frontier performance ?**
 - Delivering the outputs and spending the allowance
 - Delivering the outputs and outperforming on costs

Totex Efficiency

- **Should be key driver for the group**
- **Important to include in Terms of Reference**
- **Check against Workgroup proposals**
- **Key measure of DNO performance going forward**