

Distributed Generation Forum 2012



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Content

- Overview of National Grid role
- Why is embedded generation important to us?
- Embedded generation
 - Key considerations
 - Statement of works process
- Signposts
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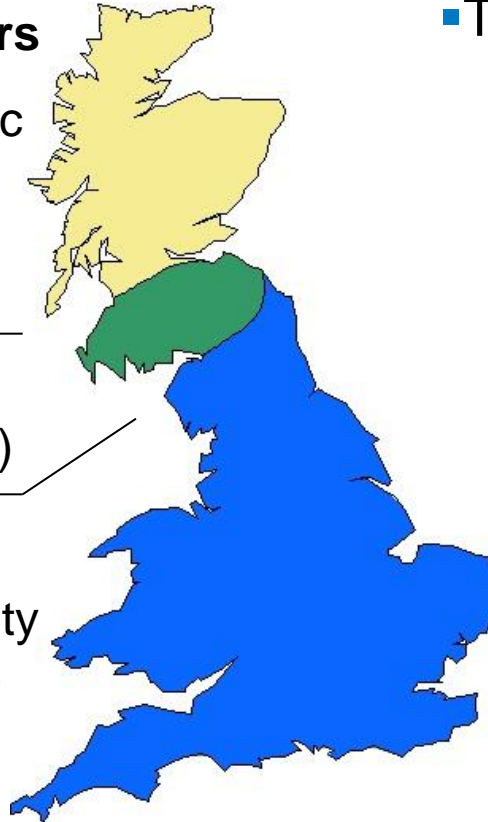
Electricity Transmission

Transmission Owners

Scottish Hydro Electric
Transmission Ltd
(SHETL)

Scottish Power
Transmission Ltd (SP)

National Grid Electricity
Transmission (NGET)



Transmission voltages

- 400 KV
- 275 KV
- 132 KV

Existing generation:

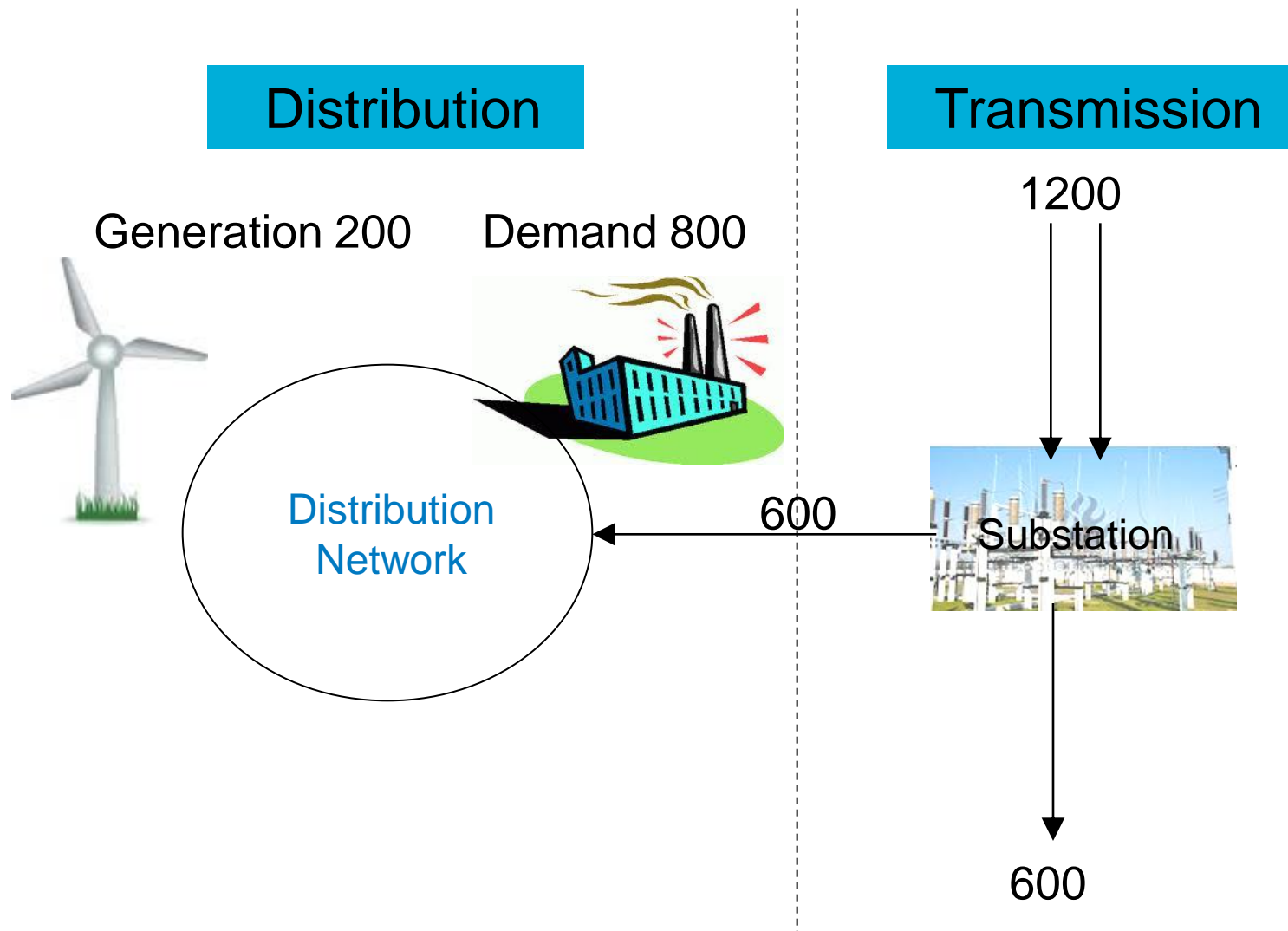
89 GW

Contracted generation:

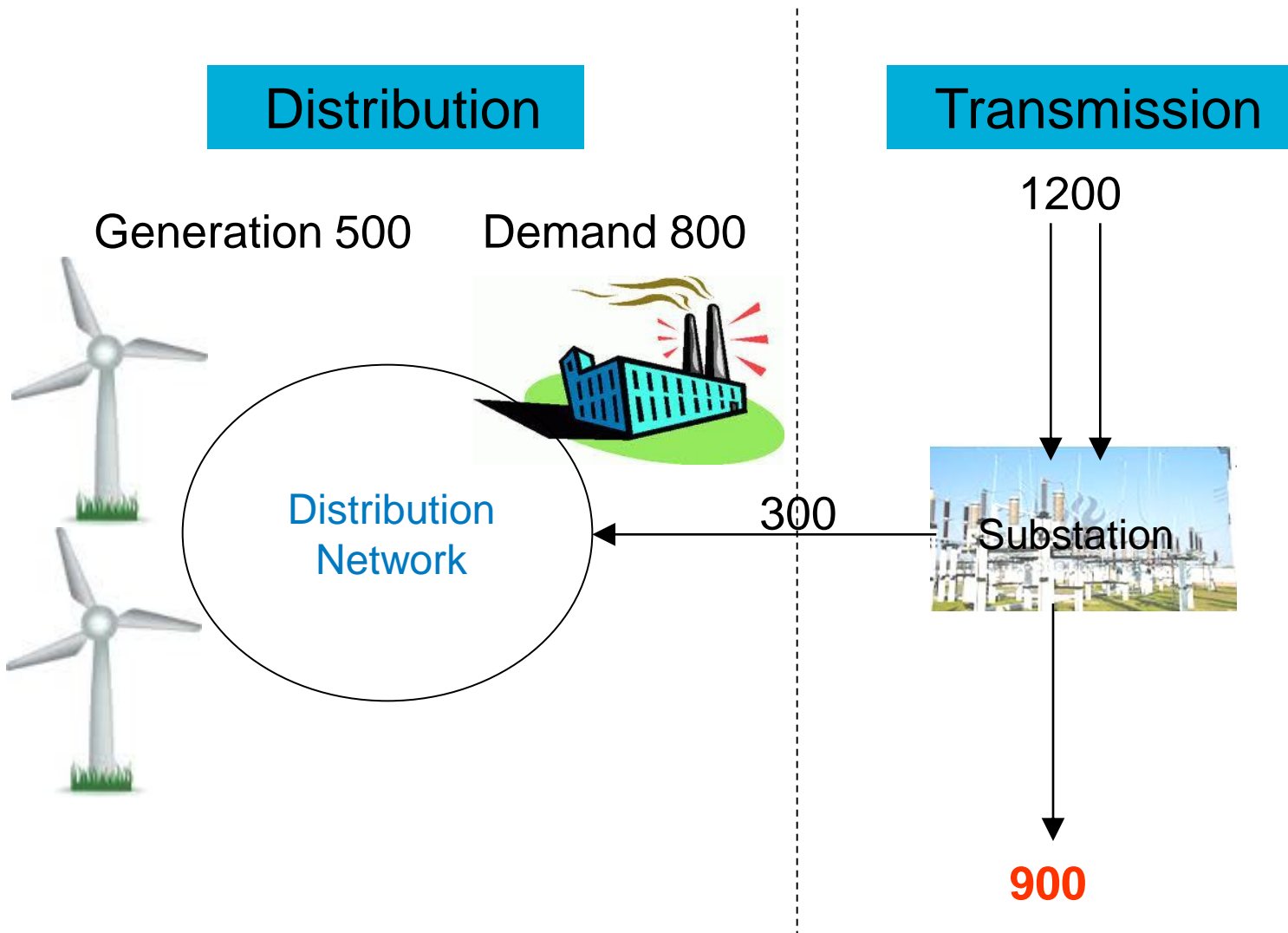
90 GW

National Grid is **System Operator** for all 3 Transmission Owner areas









Impact of Embedded Generation on Transmission



Impact of Embedded Generation on Transmission



Embedded connections – key considerations

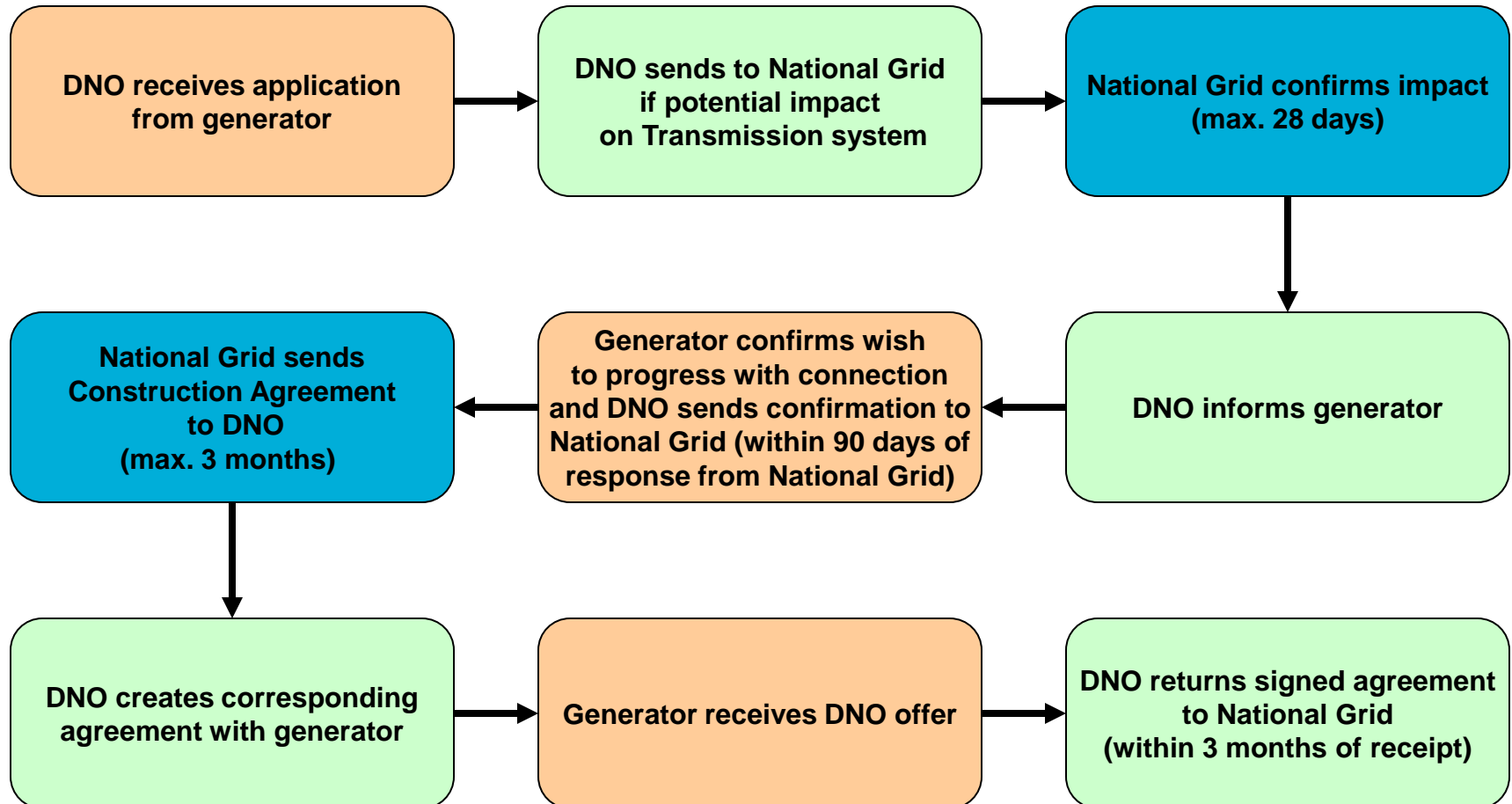
	England & Wales	Scotland	Size	Contract with National Grid
BEGA			Large*	
BELLA			Large	
LEEMPS			Medium	Modified DN Agreement
SOW			Small / Medium	

* Generic, but not definitive

Embedded connections – information

- DNO as first point of contact...
- ...and use the information on our website!
 - Outlines different types of agreement
 - Describes the 'Statement of Works' process for small generators
 - Statement of Works = small embedded generation that impacts the Transmission system
 - Identify connection opportunities
 - Transmission Networks Quarterly Connections Update
 - Electricity Ten Year Statement
- Further improvements to our website in near future...

Statement of Works process



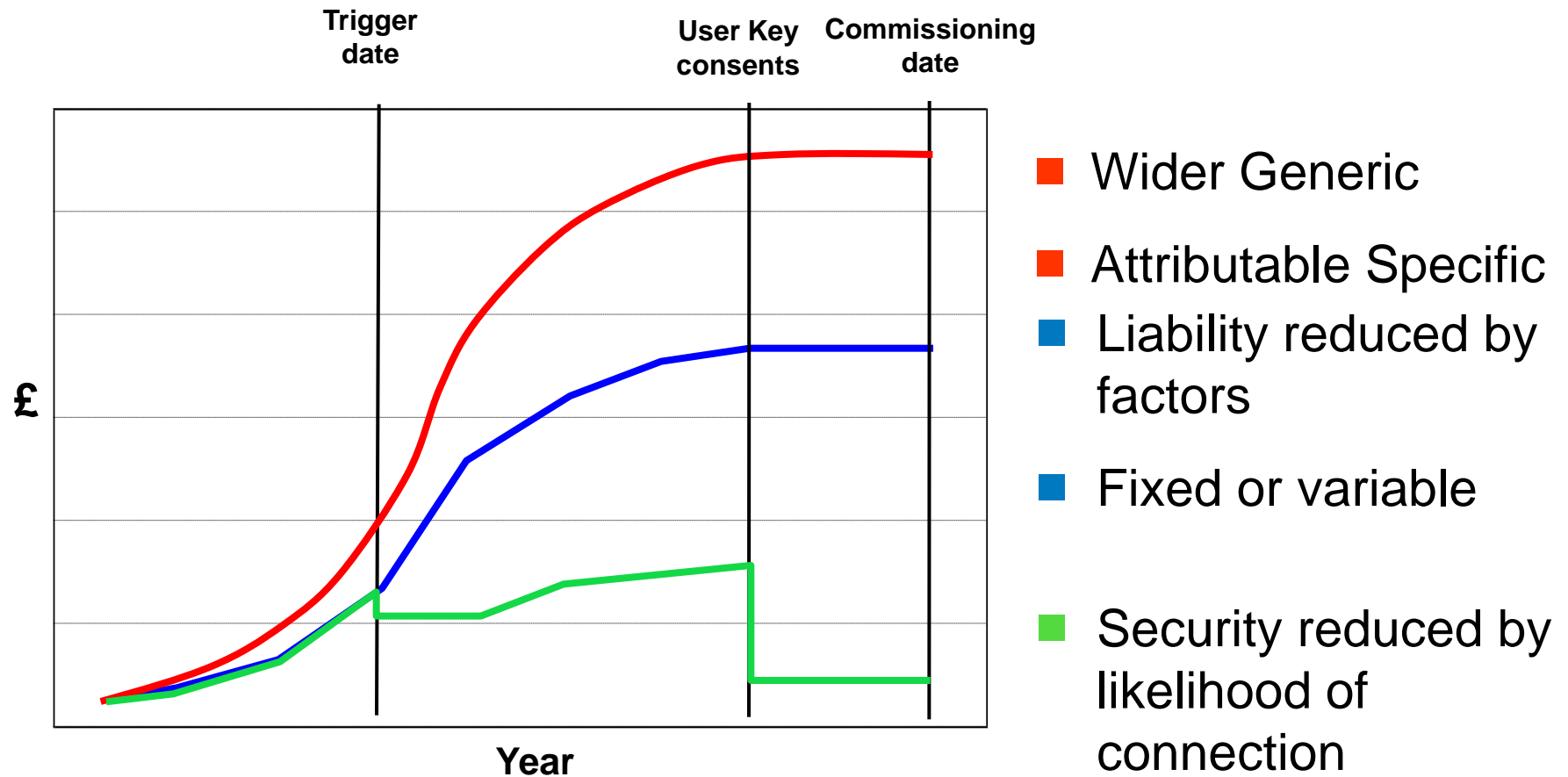
User Commitment



Summary of changes to User Commitment

- National Grid require users to underwrite any investment in respect of their project to cover the risk of stranded assets
- New User Commitment arrangements for Transmission connections – known as CMP192
 - Generic liability for wider works
 - Specific liability for local works (attributable)
 - Separates liability and security
 - Secured percentage of liability reduces towards connection
- Incentivises improved information
- For small embedded generation user commitment arrangements are with DNO
- Will small embedded generation projects see the benefit of this change?

CMP 192 principles



Embedded Charging



Embedded Generation Charging

- Review of embedded charging progressed in 2010
- Project TransmiT launched in September 2010
 - Review of charging arrangements for Transmission networks
- Extension of existing arrangements for small embedded generation to 2016 (“small generator discount”)
 - Enables proposals to be developed against a stable, enduring transmission charging baseline
- Expect to raise new proposals in 2013 when impact of Project TransmiT is clear
- Anticipated timeline:
 - Proposal, April 2013
 - Ofgem decision, April 2014
 - Transition period, April 2014 to April 2016

Questions?

