Update on Future Network Blueprints

Following on from our webinar, 'The Pathway to Net Zero', we want to remind you of the purpose of Future Network Blueprints (FNB), what we've been doing and what is next.

As we mentioned on our recent webinar, the anticipated scale of electricity transmission network growth required to enable net zero means that we must think differently about our investment planning approach for the future.

System access (the planned outage of equipment, without compromising network security standards) is at an increasing premium to consumers as a result of limited network capacity and heightened network congestion costs. Making the most of it is increasingly important to our business and customers who use it to undertake respective reinforcement and connection works. Also, physical space for expansion and location of customers at substations is becoming scarcer. This is why it is important to optimise the current infrastructure, with a wider approach to the Future Network.

Introducing Future Network Blueprints

Future Network Blueprints will allow us to make more efficient and coordinated decisions that will take into account the nuances of different geographical area's network requirements, through a stakeholder – centric approach to regional network planning.

We will refine, evolve and enhance our future network plans by using digital visualisations and engaging with stakeholders ranging from connected customers to our regulator to the Electricity System Operator. We'll work with and align with stakeholders at the beginning of our network development process, combining their requirements with ours (such as for network replacement, upgrade and customer connection). Future Network Blueprints will be a live 'best view' of required regional network development. We therefore do not see Future Network Blueprints as a 'project' that you complete and close. Instead, we see this as a new approach to our network development.

Our Future Network Blueprints use digital interactive visualisations to share, evolve and enhance our future network plans with our stakeholders. We have developed a minimum viable product for our Future Network Blueprints scope initially to share them quickly and whilst in development. It's our anticipation that our stakeholders will identify changes in our Future Network Blueprints 'product scope', as well as what it proposes, and that this approach allows us to develop and grow the functionality as we go.

What is our strategy?

Within the different regions across England and Wales, there are number of sites that need a more coordinated strategy. These will allow us to optimise our investments and take a more holistic, longer term view of what is needed on our substations. In turn, these decisions will interact with and inform the regional Future Network Blueprints.

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Through what we call site strategies, we will take into account a number of different factors such as customer contracts, cross- network capacity needs, SF6 commitments, condition of existing assets, resilience, number of available bays, and physical space. In doing so, site strategies will seek opportunities to optimise work alignment that limits network disruption, deliver enduring solutions that are net zero ready, and/or stage site works that keep development on a path. The purpose of this is to make certain of not precluding net zero future requirements and being agile for changes needed over time.

With that big picture in place, we can plan to make the most of our outages and resources. We'll coordinate work so we focus on one site in depth once, rather than keep returning to it for minor works.

Work is already underway to develop an initial group of high priority sites where we need an immediate site strategy assessment. Additional sites are currently being reviewed and prioritised by the cross ET working group governing this process. This will support ongoing RIIO-T2 plan decision making, and form a basis for potentially significant development works in the next price control period.

What have we been doing?

Over the last few weeks we have been extending our engagement on our Future Network Blueprints with our Distribution Network Owner industry colleagues. We gathered some valuable insights, including an advocation for a single coordinated view of collective network plans and supporting data.

National Grid plc. National Grid House, Warwick Technology Park, Gallows Hill, Warwick. CV34 6DA United Kingdom Registered in England and Wales No. 4031152 We also discussed the value of making decisions in the near future in the context of longer term net zero network requirements, and the importance of connections reform activities.

What's next?

Next steps are to engage with our regulator as well as networks on a bilateral basis to find out more about their geographical specific challenges, discuss our FNB approach and to begin crossnetwork collaboration.

If you're interested in finding out more, please feel free to contact our team via: <u>Futurenetworkblueprints@nationalgrid.com</u>

