

# Gas Transmission Stakeholder Newsletter

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**nationalgrid**

Welcome to our 10th Gas Transmission Stakeholder newsletter in which we talk about our engagement activities over the summer.

Against a backdrop of an uncertain energy future, there is a careful balance to be achieved in delivering consumer priorities as well as replacing, maintaining or decommissioning our assets, and driving innovation. We have continued to engage on these important topics over the summer - alongside exploring with domestic consumers the overall acceptability of our plan.

Thank you to all those that fed back to us on our July business plan. We've had some really useful feedback both directly from yourselves from the Stakeholder User Group and the RIIO-2 challenge group. This feedback has informed our next draft business plan submission in October. We will issue an update with more information on this during October.

It's crucial that we gain your thoughts and opinions as we go through this cycle. Your views have already made a genuine difference to the development of our business plan and will continue to do so.

**Tony Nixon**

Head of Gas Transmission Regulation



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## Upcoming events:

Incentives: RIIO-1 performance and an overview of proposals for RIIO-2	Tue 1 <sup>st</sup> October 13.30 – 14.30	<a href="#">Click here to register</a>
Network Capability: Baseline Capacity Review	Mon 7 <sup>th</sup> Oct 11.30 – 12.30	<a href="#">Click here to register</a>
	Mon 14 <sup>th</sup> Oct 11.30 – 12.30	<a href="#">Click here to register</a>
Incentives: Our proposals for RIIO-2	Tue 8 <sup>th</sup> Oct 13.30 – 14.30	<a href="#">Click here to register</a>
Understanding the capability of the network in an uncertain world	Wed 16 <sup>th</sup> Oct 11.00 – 12.00	<a href="#">Click here to register</a>

## Stakeholder User Group



The independent stakeholder user group is made up of expert representatives from consumer, environmental and public interest groups - as well as large energy users, large-scale and small-scale customers, and distribution networks. They scrutinise our business plan looking at outputs, uncertainty, costs and incentives. They also challenge and review our approach to stakeholder engagement.

At the tenth meeting of the group, the members discussed four important areas of the RIIO-2 business plan: network capability, asset health, whole energy system and output delivery incentives (ODIs).

Key challenges in all four areas were highlighted. These included the articulation of a structured, annual process for network capability and clearly linking all investment proposals to consumer benefit.

The group will submit a final report to Ofgem alongside the submission of our final business plan in December.

### Recent Webinars

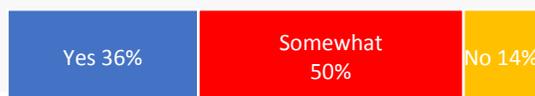
Following any engagement activity, it's important we clarify what we've heard and confirm what we will be doing next. We've held webinars to playback and further understand the views of stakeholders in the following four areas.

### Asset Health

Maintaining the health of our assets is critical in avoiding disruption to customers and consumers. An ageing network used in ways it wasn't designed for leads to additional maintenance and replacement work to ensure the levels of service that customers expect.

### Feedback

Have we provided you with enough information to allow you to take a view? Of those that responded:



We have held discussions with stakeholders using the following measures:

- The level of reliability risk (which gives probability of failure of an asset)
- Environmental risk
- Safety risk
- Disruption to the transport sector.

We held a webinar in August to get feedback on these measures.

[Click here](#) to view our slides from the Webinar.

\*A1: non-legislative condition driven work

Comments: *'The slides and previous information have been thorough and well presented.'*

*'This gave me an overview. It would be useful to have a bit more detail and interaction.'*

Do you support our proposals to keep the risk the same in our A1\* category?



## Our role in an uncertain energy future

We are uniquely placed to drive decarbonisation and digitisation of the gas industry and to play a key role in delivering a sustainable whole energy system for the future. Our definition of the whole energy system includes the interactions and solutions between gas, electricity, transmission and distribution, whilst also taking account of the impacts of the heat and transport sectors.

You have said that you want us to take a leading role in driving and enabling the energy transition. You also want us to be innovative about how we meet the challenges involved, in particular the ones around decarbonising heat.

[Click here](#) to view the slides from the Webinar.

### Feedback

Do you agree with our Net Zero broader perspective?



Comments: *'No single vector or technology will deliver. Gas networks, will play a greater role in storage and flexible to support more renewable generation.'*

Do you agree with our view of what we are leading, collaborating/facilitating on?



Comments: *'Sounds like the correct areas for consideration at this time'*

Do our proposals meet your needs?



Comments: *'As with most things - you will always learn as you go. These are good starting points, and will no doubt be expanded on as the work develops.'*

## Network Capability

We hosted a webinar in August to talk in more detail about Network Capability. Using the Future Energy Scenarios, a range of stakeholder flows, network modelling and comparisons across a range of outcomes, we can assess different options which enable decisions on our assets now and into the future. We are proposing different options in our plan and we have asked for stakeholder feedback on the framework and approach. This will be included in our October draft and December business plan submissions.

[Click here](#) to view our slides from the Webinar.

### Feedback

Have we given you enough information to take an informed view?



Comments: *'More detailed information around flows and pressures in each zone, and potential longer-term impacts.'*  
Are these metrics useful?



Comments: *'Metrics are extremely useful and smart way to convey the information'*

## Consumer Engagement

Over the summer we've been engaging with consumers to understand their views on the energy system now and in the future.

We've talked about all aspects of our plans from reliability, resilience, the environment and decarbonisation through to supporting fuel poor and vulnerable consumers.

Not having a direct relationship with consumers has made this challenging, so we've completed a range of studies to help us balance the results and give us a general sentiment about each topic. We've also produced a short animation to help explain our role in the wider energy industry. <https://youtu.be/2HYnMKxli1k>

Consumers have been positive about the research, with most finding it 'interesting' and 'educational'.

*'Very interesting survey and well done to National Grid for taking the time to ask consumers what they think, thank you.'*

The results of our engagement have been incorporated into our October business plan and we will continue to engage with consumers in the future.





## Future of Gas Forum

You'll remember that in the last edition we told you about our first Future of Gas Forum on 16 May 2019 in London. We brought together over 30 customer and stakeholder organisations to draw out their insights to start to develop the first Gas Markets Plan (GMAP) for publication later this year. Since then the Gas Markets

Delivery Team have continued to work with stakeholders to progress content.

This month saw us hit a big milestone – we hosted the inaugural Future of Gas Forum Steering Group (SG). Following the Forum in May and invitations for nominations we were delighted to receive a high level of interest from a wide variety of industry and non-industry stakeholders. [Click here](#) to read an article about the role of the Steering Group and see details of the members. At the meeting we took the members through the need for the Gas Market Plan and our approach to what needs to be considered. The group provided us with valuable feedback and guidance on the programme and the initial priorities we should focus on.

This will help us as we move to the next programme milestone – publication of the 1<sup>st</sup> Gas Market Plan in early winter, which will summarise the work done to date and the next years direction. If you would like more information on the GMAP or Steering Group please email [box.FOGForum@nationalgrid.com](mailto:box.FOGForum@nationalgrid.com)

## National Grid completes major tunnel under River Humber

National Grid - along with our Pipeline Replacement Project partners - has achieved a major feat of engineering by tunnelling under the River Humber.

The 4.86km tunnel was completed in early September and will carry a vital replacement pipeline 30 metres beneath the river. The excavation - which has taken 18 months to complete - is the first time a tunnel has been constructed under the Humber.

A pipeline will now be fed through the 3.65 metre diameter tunnel and will be the longest hydraulically inserted pipe in the world. When complete the pipeline is expected to provide up to a quarter of Britain's gas supplies.



'Mary' our Tunnel Boring Machine (TBM), completes her 5km journey from Goxhill on the south side of the River Humber to the specially constructed shaft at Paull on the north bank.



### **Draft business plan – your feedback**

Your views continue shaping our business plans ahead of our final submission, which will be on Monday 9 December 2019. Thank you for your support. Please feel free to contact [Charon.Balrey@nationalgrid.com](mailto:Charon.Balrey@nationalgrid.com) with further feedback or with any questions you may have.

### **Did you know?**

**We're carrying out testing of our pipelines and valves to see the impact of different gases to enable the decarbonisation of energy.**



- Did you find this issue useful?
- What would you like to hear about and share with your colleagues in the future?
- If you have any questions or want to find out how to get involved, we'd love to hear from you. Please contact [jennifer.pemberton@nationalgrid.com](mailto:jennifer.pemberton@nationalgrid.com)

