

Electricity Transmission

Stakeholder Newsletter

July 2018



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Welcome

Welcome to the third edition of our Electricity Transmission newsletter. Since the last newsletter in May, we've had a busy couple of months!

We've held a workshop and launched an online consultation on the topic of the environment, held a workshop on innovation, and published a consultation on the future of transmission networks, as well as continuing our day-to-day conversations with stakeholders across a wide range of topics. There's more about these activities, along with details of how to get involved in shaping our plans, in the rest of this newsletter.

We've also set up our independent stakeholder group and held our first meeting with them. You can find more details on page 2.

Finally, I know that your time is precious and we really appreciate you spending the time to help shape our plans. We've spoken directly with over a hundred stakeholders in the last month alone and now have around 3,000 people on our distribution list, so thanks again for your support!

SO separation

As we mentioned in our last newsletter, following a recent Ofgem decision, the Electricity System Operator (SO) will become a separate business within the National Grid group from April 2019.

What this means for you

The SO will have its own price control from 2021 under the RII0-2 framework, which means they're working with their stakeholders to build plans as well.

We'll try to keep things as simple as we can and coordinate with our SO colleagues to make the change as smooth as possible.

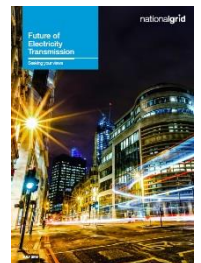
Have your say on the future role of transmission

The transition to a low carbon economy, along with a transformation in how and where energy is produced and consumed, is happening. Our Future of Electricity Transmission discussion document sets out our initial views of the role of the electricity transmission network in facilitating this transition to the energy system of the future for our customers and consumers.

network could be a blocker to rapid growth of electric vehicles, and how its role may need to evolve into the future.

Your input is key in helping us set the direction for the next price control period.

You can get involved by participating directly through the [interactive document](#), [emailing us](#) your views and/or signing up for our upcoming [webinar](#) on 16th August.



Electricity Transmission
Owns, builds and maintains the England and Wales high voltage network

System Operator
Balances supply and demand on a second-by-second basis

In it, we use views of the future that go beyond the core scenarios published by the Electricity System Operator to explore the need for transmission in a highly decentralised future, whether the



Innovation update

We held an innovation workshop on 17 July at Sandown Park, with 39 stakeholders attending to share their thoughts and insights to help shape our innovation plans for RIIO-2.

Attendees learnt how National Grid is incentivised to innovate and run the network through the RIIO regulatory deal, and how Ofgem expects us to evolve and change as we move from RIIO-T1 to T2.

Amongst the attendees helping us to explore ways to improve the energy industry were ABB, Morgan Sindall and the Energy Innovation Centre.



Stakeholders told us that this was a very open workshop and it was obvious that they were being listened to. Feedback included the fact that many see us as a leader in the industry, and that we should look to bring together thinking around new energy policies. A summary report of the day will be communicated by the end of July.

Visit our website for more information

Details of all our engagement activities can be found on the [Your energy future](#) website, including links to materials, consultations and information on how to get involved.



We've started building our environmental plans – make sure you share your views

As part of the second phase of our RIIO-2 engagement programme where we begin to get into the detail of our plans, we met with stakeholders on 26 June to understand what they want us to include in our plans to manage our impact on the environment.



The 32 attendees represented eight of our main stakeholder groups, and we had some interesting debate and valuable insight throughout the day.

You can access a full report of the day [here](#), and high level messages were:

- we should make investment decisions based on the whole life cost of each option, including the cost of carbon
- we should focus on overall volumes of SF₆ leaked (an insulating gas with very high global warming potential) and continue efforts to find alternatives
- visual impact continues to divide opinion, although the majority of attendees were largely supportive of our current approach to find solutions that deliver the best balance of all considerations
- we should look to minimise the carbon impact of our construction activities and potentially use carbon offsetting to make these activities carbon neutral



Environmental online consultation

If you've not yet given us your views on what we should include in the environment-related parts of our plans, we've now published the material used at our workshop and set up an online consultation. Please click [here](#) to access it.

Introducing our independent Stakeholder Group

On 6 July, our new, independently-chaired Stakeholder Group met for its inaugural meeting. The group, chaired by Trisha McAuley OBE, has been set-up to challenge our approach to stakeholder engagement and scrutinise the details of our RIIO-2 business plans, before we submit to Ofgem towards the end of 2019.

It's comprised of a cross-section of our customers, consumer advocates and other public interest representatives.



The first meeting saw members getting to know each other, establishing ways of working, sharing their views on the challenges facing the industry, hearing a bit about National Grid's electricity and gas transmission businesses and undertaking an initial, high-level review of our engagement activities to date.

The Stakeholder Group is meeting again on 30 and 31 July.

More information is available on the dedicated section of the [Your energy future](#) website.