### Smart Street Project Partner Event

13<sup>th</sup> May 2014



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## Innovation within Electricity North West

### Simon Brooke

Low Carbon Projects Manager





- Electricity North West
- Innovation strategy & funding
- UK energy challenge

### Connecting the North West



Bringing energy to your door

# We're not a big multinational we serve only the North West

We distribute electricity to approximately 5 million people at 2.4 million domestic and industrial locations consuming 23.5 terawatt hours of electricity annually

- £12.3bn of network assets
  - 57 500km of cable
  - 15 grid supply points
  - 96 bulk supply substations
  - 363 primary substations
  - 34 000 transforming points



### **Innovation Funding**

#### Innovation Funding Incentive (DPCR5)

- Designed to encourage R&D
- Fixed proportion of eligible expenditure recoverable - 80% pa
- Capped at 0.5% of price control turnover, approx. £2.0m for 2012/13
- Internal spending capped at 15%

#### Low Carbon Networks Fund (DPCR5)

- Tier 1 provides fund for small scale demonstration projects
- Tier 2 is central fund for small no. of significant 'flagship' projects
- DNOs expected to fund 10% of Tiers 1 & 2 projects (refundable in Tier 2 subject to timely delivery)



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#### Network Innovation Allowance and Network Innovation Competition (RIIO-ED1)

- New arrangements for RIIO-ED1, starting 2015
- NIA to replace IFI & LCN Fund T1 0.8% of turnover, based on innovation strategy
- NIC to replace LCN Fund T2 value to be set

### Our innovation strategy







### Innovation strategy targets greater utilisation of existing assets to minimise the adoption costs of decarbonisation technologies

- C<sub>2</sub>C is designed to release significant EHV and HV network capacity by utilising 'security of supply' capacity in conjunction with post-fault DSR
- CLASS harnesses the aggregated demand side response generated by low cost retrofit voltage controllers and delivers a variety of operational benefits
- Smart Street (*eta*) aims to maximise the capacity of existing networks, minimise losses and reduce energy consumption by managing network voltage and controlling networks in meshed configuration
- 2014/15 proposed project aims to minimise fault level reinforcement arising from demand growth and DG using radical low cost approaches

### UK energy challenges



### 2014 position 1/3<sup>rd</sup> electricity, 1/3<sup>rd</sup> gas, 1/3<sup>rd</sup> oil

- 2020 34% reduction in CO<sub>2</sub>
  - 40% from wind / PV & new nuclear
  - 5% transport 120,000 EV / hybrid
  - 26M smart meters fitted
- 2050 80% reduction in CO<sub>2</sub>
  - Doubling in electricity demand
- RIIO-ED1
  - Traditional reinforcement unaffordable
  - DG represents the most immediate challenge
- Challenge to identify 'smart' ways of meeting customers' future needs:
  - £30 million RD&D investment programme
  - ~ 60 ongoing projects
  - New equipment and technologies for step change in customer service



### The scale of the challenge









Customer characteristics	Network impact	
2.2 million customers live in gas	Customers' new low carbon technologies (LCT) create new network demands	
Network designed and operated with ADMD per property of 1.2kVA	Networks have limited ability to accommodate customers' LCTs	
	Network intervention always required	



# Questions Answers





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### Want to know more?

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### An introduction to Smart Street

### **Cara Blockley**

Low Carbon Projects Manager





- Overview of Smart Street concept and objectives
- Workstreams and outputs
- Project delivery timeline
- Close

### Flash video







Allows networks and appliances to work in harmony delivering efficiency across the energy supply chain

Low carbon • Lower bills • Faster LCT adoption • Less disruption

### Voltage regulation



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### Historic networks have no active voltage regulation

### Problem - LCTs create network issues





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LCTs rapidly surpass voltage and thermal network capacity

### **Smart Street**



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Low cost ● Quick fit ● Minimal disruption ● Low carbon ● Low loss ● Invisible to customers

Voltage stabilised across the load range • Power flows optimised

# Now we can stabilise voltage, which level should we choose?



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### **Conservation Voltage Reduction**

By operating towards the lower end of the range we can make customers' appliances more efficient **at no additional cost.** 

Many appliances operate more efficiently; none use more energy. CVR is being trialled in a number of countries.

First application on UK network configuration.

How much could customers save?		GB
Reinforcement savings via DUoS	£330 over 25 years	£8.6b over 25 years
Reduced energy consumption, 2013 (from CVR ≈ 3 - 7%)	£15 - £30 pa	£390 - £780m pa
Maximise DG output (from maximising Feed In Tariff income)	£70 pa	£20m pa

Efficient network solutions • Energy savings • Carbon benefits

### **Smart Street summary**











#### Smart Street delivery structure XX Celectricity Bringing energy to your door **Project steering Project Management Smart Street Project** group Office Workstream 1: Technical Workstream 2: Trials Workstream 3: Customer Workstream 4: Research **KELV//TEK KELV/TEK** MANCHESTER 1824 The University of Manchester ueen's University Impact Research SIEMENS Tyndall°Centre® SIEMENS for Climate Change Research tnei Impact Research MANCHESTER 1824 tnei enterprise with energy The University of Manchester Queen's University tnei enterprise with energy Tyndall<sup>°</sup>Centre<sup>®</sup> for Climate Change Research enterprise with energy Workstream 5: Learning and dissemination Queen's University tnei SIEMENS Tyndall<sup>°</sup>Centre<sup>®</sup> enterprise with energy Impact **KELV//TEK** MANCHESTER for Climate Change Research Research The University of Manchester

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### **Smart Street Hypotheses**



#### **Hypotheses**

Smart Street will test the following hypotheses (in the identified Workstreams):

- 1. The Smart Street Method will deliver a reduction in customers' energy consumption (*Research Workstream*)
- 2. Customers within the Smart Street Trial area will not perceive any changes in their electricity supply *(Customer Workstream)*
- 3. The Smart Street Method will have no adverse effects on customers' internal installation or appliances (*Research Workstream*)
- 4. The Smart Street Method is faster to apply than traditional reinforcement, supports accelerated LCT connection and reduces network reinforcement costs (*Research Workstream*)
- 5. The Smart Street Method facilitates the prioritisation of the range of solutions across differing LCT adoption scenarios based on a cost benefit analysis to accommodate customers' uptake of LCTs (*Research Workstream*)
- 6. The Smart Street Method will deliver a reduction in overall losses through network configuration and voltage optimisation *(Research Workstream)*
- 7. The Smart Street Method facilitates real time control of a portfolio of LV network solutions, using retrofit technologies with application combined or in isolation *(Technology Workstream)*



### Project deliverables by workstream





Technology	Trials	Customer	Research	Learning & Dissemination
Smart Street network design applied to trial networks	Test regime implemented to trial Smart Street combinations	Customer approved engagement and awareness materials	LV network design and operating standard	Smart Street website as repository for all deliverables
Specification, installation and application methodologies	Consumption data at substation for CVR benefit	Customer surveys deliver proof of no perceived change	Optimisation implementation and control operating regimes	Share knowledge to internal and external
Portfolio of network solutions and safe systems of work	Losses reduction data		Smart Street cost benefit analysis and carbon impact assessment	webinars, social media, events etc



