



Electric Vehicles (EV)

We have highlighted previously just how pivotal driving forward the delivery of Net Zero emissions targets will be to the economic recovery of the country.

Back in February, we announced Project PACE, our partnership with Transport Scotland and SSEN on a revolutionary project to develop the electric vehicle (EV) and electricity network infrastructure across Lanarkshire.

Last month we were delighted to see a £4.4 million Grant Offer Letter signed for the project that gives the green light for us to progress with the delivery of 180 chargers and their connections, as the next phase of an innovative £7.3 million pilot project.

Despite the current challenges we face, it's fantastic to see ground-breaking infrastructure projects like this, that will accelerate the roll out of EVs in our area and increase the number of chargers in Scotland by around 20% in just 12 months.

£4.4 million

grant award for Project PACE

20%

increase the number of EV chargers in Scotland rolled out in 12 months



Heat

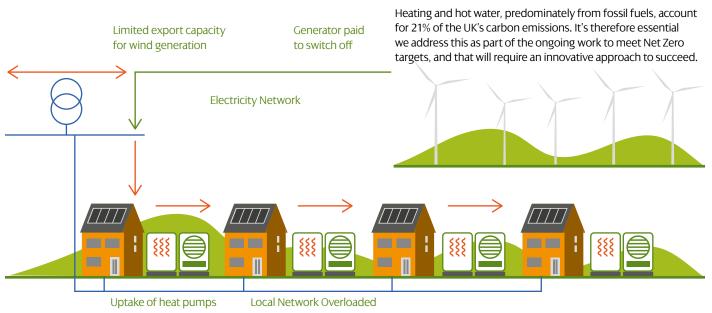
21%

As part of this drive to Net Zero carbon we're developing a 2020 Network Innovation Competition (NIC) bid to Ofgem for funding for our Re-Heat project, with several other key stakeholder and Utility partners.

of the UK's carbon emissions come from heating and hot water predominately from fossil fuels

So, what is Re-Heat?

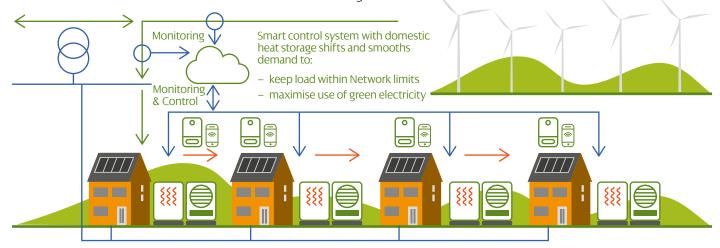
The Challenge:



The Solution:

This is the first project exploring how electricity networks can facilitate the large-scale electrification of heat. It will involve a large-scale trial of innovative solutions that support the transition to electric heating, with particular focus on homes that have no access to mains gas.

We are continuing with the Network Innovation application stages and look forward to providing further information on this project as we progress with our application for funding.







Innovation Projects

Our Dumfries and Galloway and Active Network Management project is focused on implementing ground-breaking wide-scale integrated network management that will improve network access for connected and connecting customers.

This will play a significant part in our future as a DSO, and the team have been ploughing on behind the scenes to keep the momentum going. We're delighted to share that we recently signed a contract with Smarter Grid Solutions – a leading provider of distributed energy resource management software.

SGS's innovative software will deliver the systems that enable clean energy connections to the grid and markets. For us, it will enable the functionality we require to increase the connection of renewable energy sources to our network.

Investment like this is a positive boost for our economy and we're proud to be in a position to progress partnerships like this to prepare our network for the future.

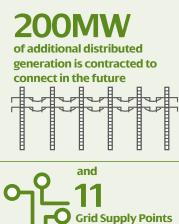
Further information on this project can be found at: www.spenergynetworks.co.uk/userfiles/file/Dumfries_and_ Galloway_Fact_Card_Visual_Version.pdf

An area that has amongst the highest proportion of renewable generation connected within the UK



energy demad

Relative to its own local



interfacing with the

system operator

Policy Updates

Our Policy Guidance action within our 2020/21 continues our commitment to updating and improving the information we have available for our customers.

We have now published our updated Flood Resilience Policy for Substations:

SUB-01-018 Substation Flood Resilience Policy

Our customers can use the link below to request a copy of this document:

www.spenergynetworks.co.uk/pages/documents.aspx

We are now working on updating the following documents:

- ESDD-01-005 Distributed Generation Connection Requirements
- ESDD-01-008 Technical requirements for Export Limiting Schemes
- EPS-04-002 Policy for Disconnection and Removal of Company Equipment

We welcome feedback and/or suggestions for areas of improvement on our policies and would appreciate any comments on further clarification required with any of the documents above. We will look to include any comments/clarifications in these documents prior to publication.

Please contact us on:

gettingconnectedupdates@spenergynetworks.co.uk

If you would like to comment or request any specific information be included in these updates.



DSO/Flexibility

Flexibility Tenders

We're constantly developing smarter, more flexible network solutions to help mitigate or defer the need for traditional reinforcement and to reduce costs for our customers, and as customer assets connected to our network could assist with this, we've been exploring flexibility with those assets as a solution.

We launched our largest ever call for flexibility services in October 2019, covering ten areas across our SP Distribution and SP Manweb licence areas, and we are pleased to share that we've since accepted, subject to contract, four bids in the SP Manweb area.

We're pleased to share that we'll be launching our next round of flexibility services tenders shortly, and are therefore encouraging interested flex providers to register for company pre-qualification ahead of the competition.

Our tenders will be for our SP Distribution and SP Manweb licence areas for the period 2023 – 2028.

We will be publishing our exact requirements for these locations in early August.

We'll be using Picloflex to facilitate this next round, and are delighted to announce that flex providers can therefore register on the Dynamic Purchasing System (DPS) as of today.

www.picloflex.com

We'd encourage all flex providers interested in our upcoming tender to register their company details in preparation for the competition in August.

Partnerships

Cheshire Energy Hub

We have extended our partnership with Cheshire and Warrington LEP and EA Technology to develop a Capital Investment Plan to achieve Net Zero carbon emissions within the Cheshire and Warrington LEP region.

The project will deliver a blueprint for unlocking capital investment in a Net Zero carbon industrial cluster in the Ellesmere Port region. It will define a range of future local energy system designs to inform a range of capital investment opportunities. These are expected to include capital investment in infrastructure, energy generation/distribution/storage, control systems, and related products and services able to provide secure, low carbon, affordable energy, supporting energy intensive industries. The scheme will provide a roadmap of investment over a ten year period supporting a holistic and cost-effective transition to Net Zero and improving the competitive position of the region.

This partnership follows our involvement in the Innovate UK funded E-Port Energy project with Cheshire Energy Hub, and we continue our commitment to working with our local government and energy sector partners in the area to develop a zero carbon energy cluster for the highly industrial parts of Ellesmere Port and the surrounding area. This area is ideally placed for such a project as it contains some of the UK's most significant and energy intensive infrastructure.

The Capital Investment Plan will focus on the investment required in the electricity infrastructure from generation through consumption, business processes and regulation to deliver Net Zero.





Zero Carbon Communities Hub

We have created our Zero Carbon Communities tool as a free, centralised source of information to bring together shared knowledge of local community energy projects, as part of efforts to boost investment in the growth of the community energy sector and wider economy.

The industry-leading tool will be used by community groups planning and developing renewable energy projects – helping them decide on technology, location, scale, governance and management processes. It provides guidance and signposting on how to approach each area to overcome potential problems at an early stage and shorten project lead times.

The new tool has been created with support from Community Energy Scotland, Dumfries and Galloway College and the Energy Skills Partnership.

As the UK's energy is increasingly generated in the communities where it will be used, community groups have the potential to provide local energy solutions that meet local needs and maximise local benefits such as job creation.

Previously, community energy projects may have involved full or part-time community ownership of technology such as solar PV or a local hydro scheme. Nowadays, savvy communities are creating local energy economies through initiatives like clubbing together their local energy demand to offer flexibility services to network operators or using local electric fleet vehicle batteries as network storage solutions.

Our new Zero Carbon Communities Hub can be found at:

www.spenergynetworks.co.uk/pages/zero_carbon_community_tools.aspx

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