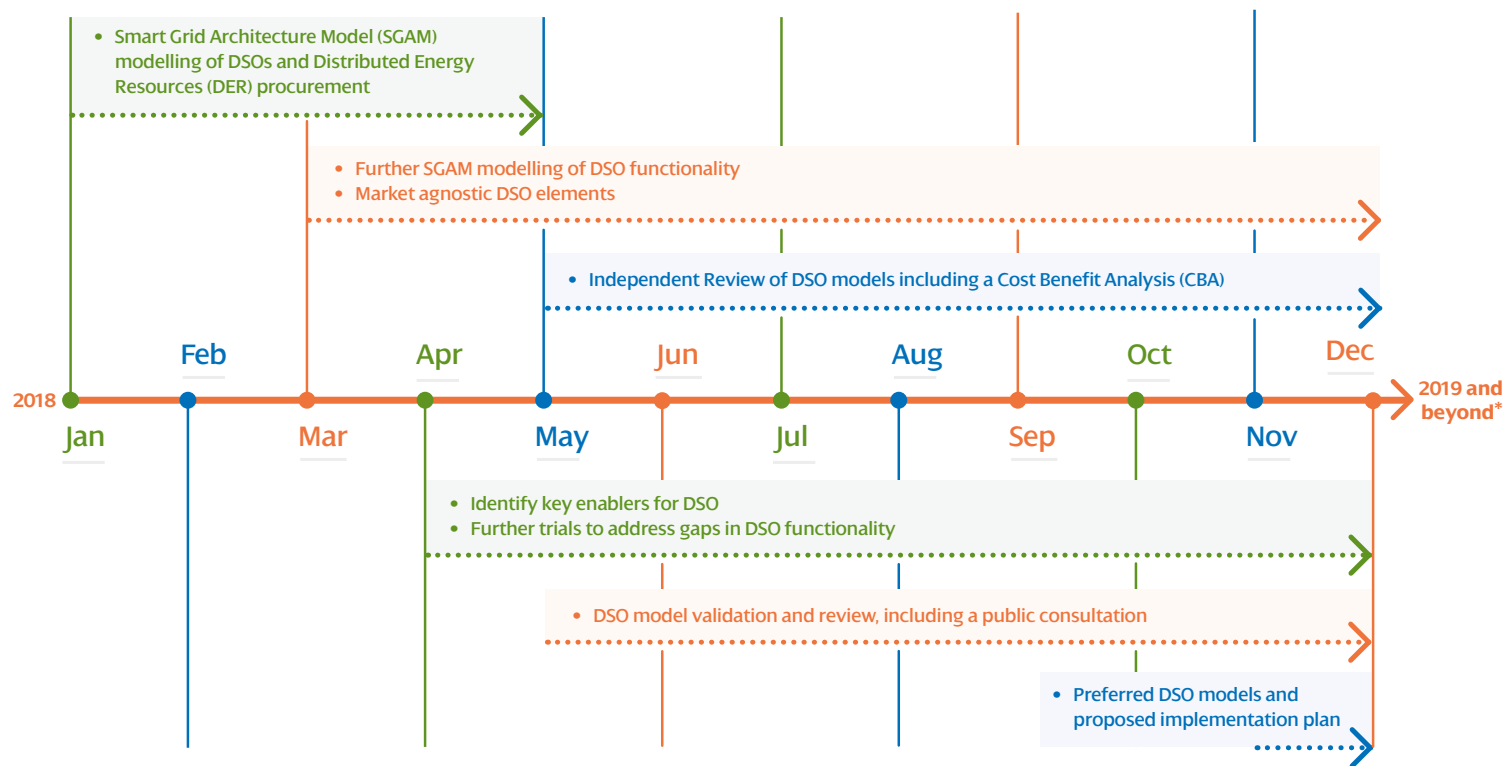


## ROAD TO FLEXIBILITY



\*The road to a more flexible network will continue throughout 2019 and into the ED2 period.

## HOW TO GET INVOLVED

The way our energy industry shapes itself for the future will impact on each and every one of us. So we want to hear from you.

Join our stakeholder online community and get involved with discussions. This is a fast paced environment so make sure you sign up to receive the latest information on our business and events to ensure you stay up to date.

Visit our website for more information:

[www.spenergynetworks.co.uk/online\\_community](http://www.spenergynetworks.co.uk/online_community)

Or for more information on the ENA Open Networks please visit the ENA website:

[www.energynetworks.org/electricity/futures/open-networks-project](http://www.energynetworks.org/electricity/futures/open-networks-project)

## CONTACT US

 [www.spenergynetworks.co.uk](http://www.spenergynetworks.co.uk)

 [facebook.com/SPEnergyNetworks](https://facebook.com/SPEnergyNetworks)

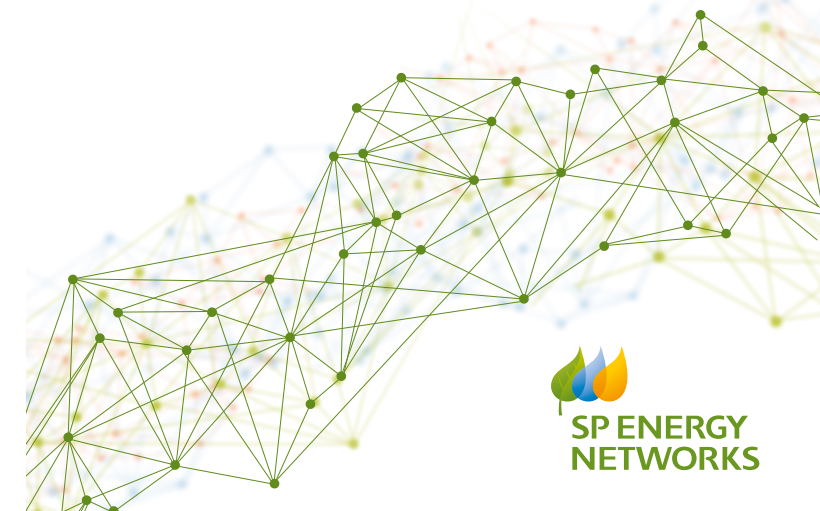
 [twitter.com/SPEnergyNetwork](https://twitter.com/SPEnergyNetwork)

 [stakeholderengagement@spenergynetworks.co.uk](mailto:stakeholderengagement@spenergynetworks.co.uk)



## DISTRIBUTION SYSTEM OPERATOR (DSO)

The Distribution Network  
Operator (DNO) of the Future



## WHO ARE WE?

We are SP Energy Networks, part of the Iberdrola group, leaders in sustainable innovation. As a Transmission and Distribution Network Operator (DNO) we keep electricity flowing to homes and businesses throughout Central and Southern Scotland, North Wales, Merseyside, Cheshire and North Shropshire.

We do this through the network of overhead lines and underground cables which we own and maintain.

Our three regulated electricity licences are:

**SP Transmission (SPT)**

**SP Distribution (SPD)**

**SP Manweb (SPM)**

Our aim is to deliver a safe and reliable electricity supply **24 hours a day, 365 days a year** whilst providing exceptional value for money for all customers and contributing to a more sustainable future.

## CHANGING ENERGY LANDSCAPE

Our energy landscape is evolving at pace as the global community takes action on climate change. To meet ambitious carbon reduction targets the way we generate, distribute and use energy is changing. On the generation side, large traditional thermal power stations are increasingly being replaced by renewable generation such as solar and wind. On the demand side, customers are choosing more sustainable options for everyday activities such as heating and transport.

To enable this low carbon transition we need to radically change the way we operate our distribution networks. We need to create a smarter more flexible network, but one that continues to be safe, reliable and affordable for our customers. We call this future network model 'Distribution System Operator' (DSO).

We are passionate about supporting this change and the opportunities it brings to our customers. This is why we are playing a leading role in the Energy Networks Association's Open Networks project. The project is an industry-wide collaboration to find solutions to the network challenges we face by redefining the way electricity networks operate, laying the foundations of the smart grid in Great Britain and agreeing what our DSO future looks like.

This DSO work is far reaching and will inform the way we design and operate our networks, how the distribution and transmission networks could interact with each other, how services and markets are enabled and accessed, and how our customers can play a greater role in our energy system.

## OUR DSO VISION

**In SP Energy Networks we are paving the way towards a Distribution System Operator (DSO) model.**

A DSO securely operates and develops an active distribution system comprising networks, demand, generation and other flexible Distributed Energy Resources (DER).

It will enable competitive access to markets and optimise the use of DER on the network to deliver security, sustainability and affordability in the support of whole system optimisation.

**Becoming a DSO will...**



**Keep the network safe and reliable**



**Keep costs low for customers**



**Enable smaller generation to take part in the energy balancing services market**



**Make better use of existing network assets**

If we do not become a DSO and adopt this future world, it will be more expensive to operate the network and maintain a steady supply of electricity. It will mean our prosumers (consumers and producers) will lose the chance to be able to play a part in balancing the system too.

## OUR JOURNEY

Our journey towards becoming a Distribution System Operator (DSO) has already started.

In 2016 we were the first DNO in the UK energy industry to launch our DSO vision paper. Now, here in 2018 we are working collaboratively with other DNOs in U.K. and Ireland to make the move to a DSO. We have flagship **innovation projects** that are key to creating a smarter flexible network.



**Fusion** will create an Information Technology (IT) infrastructure required to facilitate a local energy market and release additional network capacity to allow more low carbon technology connections to the network.



**Dumfries and Galloway Integrated Network Management** will allow us to simultaneously monitor and match network capacity with local generation output for distributed energy resources of all sizes. This is the single largest and most capable active network management project in GB.

We are working collaboratively with communities and other stakeholders to ensure our activities are driven by those who use our services.