

The UK is embracing a **net zero carbon future**, and the way energy is generated, stored and consumed is changing rapidly

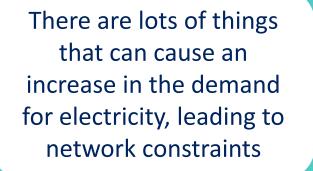
The uptake in Low Carbon Technologies (LCTs) such as electric vehicles and heat pumps has lead to more demand being placed on our network

As we move towards **Distribution System Operation (DSO)** and more local network management, Flexible Services can balance supply and demand– helping to decarbonise our electricity supply while ensuring that our network remains resilient and reliable



When the demand for electricity in an area is greater than the amount that we can provide, we can utilise companies or individual customers known as Distributed Energy Resources (DERs) to alleviate constraints

This ensures a safe and reliable supply of energy









The uptake of LCTs

These DERs can be generators, consumers, and electricity storage connected to our networks that can increase exports (generate more) or reduce imports (consume less) when instructed

In return for providing Flexible Services, DERs will receive payment



So why now?



Increase in Low Carbon Technologies	More demand on the network	Reinforcement required	Increased cost to customers	Disruption
			E	
For the UK to meet it's decarbonisation	This uptake will result in an increased	To be able to meet this demand, we will need	These costs are ultimately passed	In addition, these reinforcement works

decarbonisation targets, we expect to see a huge uptake in low carbon technologies This uptake will result in an increased demand on the network, which wasn't originally designed to cope with low carbon technologies To be able to meet this demand, we will need to invest millions of pounds in reinforcing the network

These costs are ultimately passed down to our customers through their electricity bills

In addition, these reinforcement works have the potential to cause a lot of disruption in terms of road closures and supply interruptions

What are the benefits?



How we identify a Flexible Service requirement

On an annual basis, we forecast what we expect the demand to be on our network in both the near and distant future



We then look at each of our substations, and compare the firm capacity with the forecasted demand

Where a constraint is identified which can be alleviated by Flexible Services, we publish an Invitation to Tender



To participate in our tenders and receive payment in return for providing flexible services to our network, you need to:

- ✓ Have an asset in one of our requirement areas
- ✓ Be capable of adjusting how much electricity you consume or generate
- ✓ Provide a minimum of 10kW either individually or via an aggregator
- ✓ Complete the following steps on either <u>ElectronConnect</u> or <u>Piclo Max</u>:

