

# Keynote Speech

We will start at 11.02 to allow participants to finish previous meetings and join the call

Slido.com  
#gtx1

# Welcome and Opening

**Thank you for joining us today**

Slido.com will be used for feedback and for Q&A. While you are waiting please access Slido.com using the information:

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# Who will be speaking?

**Andrew Deeley**

Head of Business  
Strategy & Performance



**Jennifer  
Pemberton**

Stakeholder  
Engagement Manager



# Logistics



Should last for approximately about 60 min



Questions and polling via slido.com #gtx1



All callers will be placed on mute



We will circulate the slides and a recording of this webinar

# Agenda

## Energy landscape

### Performance update

To shape the gas market of the future

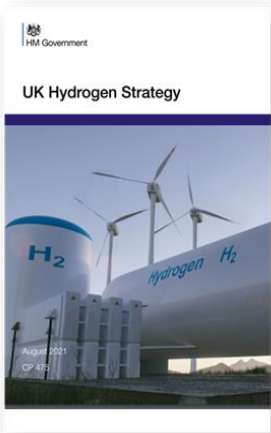
To operate safely, reliably, and flexibly

To deliver sustainable value for customers and stakeholders

To drive positive environmental and community impact

To invest in our people, grow our capability and value everyone's contribution

# World in crisis: we need to act now to secure net zero



# To shape the gas market of the future

- Continually evolving landscape
- Excited and proud about where we are and our role in helping to shape the future energy landscape

To find out more, please join us on the [Future of energy webinar](#) on Thu 14<sup>th</sup> July @ 11am

## Last year we....

### National Transmission System

- Launched three regional stakeholder groups to develop regional roadmaps to net zero
- Mobilised Hydrogen team
- Built strategic business case for Project Union
- Developed our position in a net zero world

### Market and framework

#### Hydrogen:

Guarantees of Origin

Scenarios

Hydrogen town

#### Gas Quality:

- Identified improvements to market rules for **changing gas quality limits** at system entry points
- Market framework development timeline to enable **hydrogen blending**

#### Balancing:

- Investigated how **GB balancing arrangements** might need to adapt



Hydrogen roadmap: delivering clean energy independence for the UK



## Next year we will...

### National Transmission System

- Refresh our hydrogen roadmap – Summer 22
- Develop an implementation plan to facilitate blending on the NTS – Summer 22
- Fully test and commission the FutureGrid facility– Dec 22

### Market and framework

- How **market frameworks** need to develop to enable the hydrogen transition
- Undertake **evidence based thought-pieces** to inform policy decisions (specifically future of domestic heating)
- Identify and explore **innovative market area** developments (e.g. transport).



# To operate safely, reliably, flexibly

- No security of supply events 21/22
- We are working with Ofgem and BEIS to develop interventions to ensure winter preparedness
- We are maximising EU export capability with interconnector flows regularly reaching 75mcm/d (1.7bmc in first 3months of the year)
- The summer outage season has commenced with approximately 3 fold increase in network interventions compared to recent years

## We have committed to...

Target	Actual	
99.9%	100%	<b>Reliability</b> We are proud to report excellent reliability during 2021/2022. This is on the backdrop of increased volatility of supplies and demand we are always striving to ensure this remains.
N/A	93.5%	<b>Compressor performance</b> We have set up a Compressor Resilience Action Group to enhance the reliability of our compressor fleet going into winter 22/23
0.1	0.11	<b>Lost time injury frequency rate (LTIFR)</b> We ended the year just below our target of 0.1 as we experienced 7 LTIs (lost time injuries) across the 12 month rolling period

## We will deliver....



### Future Bacton Terminal Strategy

Undertaking additional investigative work to build a richer picture of asset condition.  
Engaging extensively to understand the role Bacton can play in the road to net zero.  
FEED Submission to Ofgem Feb 24

### Future St Fergus Strategy

St Fergus will continue to play a critical role in delivering energy security for GB. To ensure we deliver the level of service to meet that need, we are developing costed options for summer consultation  
Submission to Ofgem Jan 23



### Kings Lynn Subsidence

Following extensive surveys and remedial work, we are comfortable that the subsidence issue is effectively managed at this stage. We will continue to monitor the situation.



# To deliver sustainable value for customers and stakeholders

- We've worked hard to develop a deeper understanding of our customers needs
- Our incentive performance is linked to how well we deliver for customers and we're proud to report great performance in this area

## We have committed to...

**Target** | **Actual**    **...keeping our customers satisfied**

8.2 | **8.6**    Each year we survey our customers to ensure we are delivering their needs. By developing closer relationships with our customers to truly understand them, we have been able to focus on what's important.

### ...maintaining our system with minimal impact on our customers



Target	Actual	
11	<b>1</b>	Use of days (Valve ops)
75%	<b>95%</b>	Use of days (Exc valve ops)
11	<b>0</b>	Change to the plan

**Target** | **Actual**    **...minimising constraints on the system**

8.5 | **5.2**    Cost (£m)



## We have committed to...

### ...support decision making through accurate demand forecasting

**Target** | **Actual**

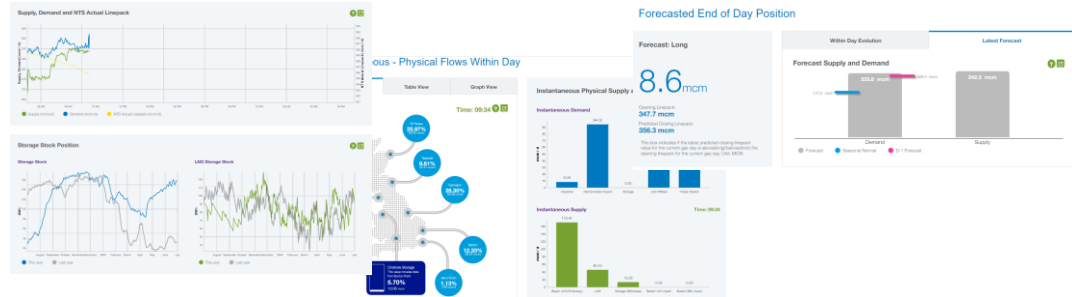
8.98 | **8.52**    Forecast error (mcm/d)

### ...undertake residual balancing of the system

**Target** | **Actual**

2.8 | **2**    Linepack (mcm/d)

1.5% | **1.8%**    Price



# To drive positive environmental and community impact

A strong year of environmental performance, with the vast majority of metrics showing strong improvement. Zero category one environmental incidents and good outcomes in five out of six environmental incentives, reinforcing the step change in environmental performance in year one of RIIO-2.



## We have committed to...

### Actual Environmental Incidents

53

FY22 saw a reduction in category one incidents (most severe) to zero down from one. Although reported incidents remain at a similar level, we are pleased that there has been a reduction in the most severe incidents on the network.

### Greenhouse gas emissions (tonnes)

This measures the amount of methane vented from compressors as part of running the network. We are pleased with our performance this year considering the additional pressures the system has been put under.

Target | Actual

2897

2061



### Giving back to the community through charitable partnerships

After an employee vote, we are proud to be corporate partners with Barnardo's. We look forward to supporting Barnardo's in delivering a sustainable positive change in children's lives.

### Environmental action plan

Operational transport emissions	0.2%	Waste generated from offices	49%
Business mileage emissions	62.3%	Water used in offices	76.98%
Operational and office waste recycled	87.4%	Environmental land benefits	2.2%

## We will deliver...

### Decommissioning of assets that are no longer required

Across the network we have a few assets that are no longer needed. These assets will be decommissioned and then reused as part of our FutureGrid programme or recycled

### Methane Emissions Uncertainty Mechanism ([More information](#))

Due to the impact methane emissions can have, we are in discussions with Ofgem to utilise the Net Zero reopener mechanisms to expand current mobile recompression, reduce vented emissions from compressors and expand fugitive emissions detection.

### Emissions compliance

To be compliant with emissions legislation we have a number of deliverables that will assess and implement solutions at:

Hatton (date), Wormington FEED (Aug-22), Peterborough FEED (Dec-22), St Fergus FEED (Jan 23) and Kings Lynn FEED (Dec 22) compressor stations.

# To invest in our people, grow our capability and value everyone's contribution

- The last few years have been a challenging time for everyone
- We have supported our employees through wellbeing festivals, coaching, employee assistance programmes to name but a few
- We are proud of our employees and encourage them to develop through numerous different avenues i.e. volunteering in schools, mentoring others, employee resource groups, awards
- We have appraised our capabilities to ensure we continue to deliver for our customers

## We have committed to...

28.9%

### Workforce diversity

We've had a year on year improvement in this area but we recognise there is still a long way to go. We have a number of programmes in place.

70

### Employee Enablement Score

As part of our employee survey we measure if our employees feel they have the right tools, skills and resources to do their jobs effectively. This has been consistently high for the last couple of years.

23,416

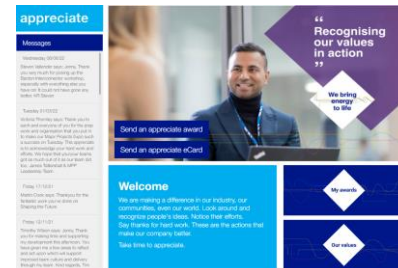
### Hours volunteered by colleagues in support of good causes (\*NG Group only)

We are very proud of the passion our employees have for giving back to their communities. This focus will continue to play a big part for us as we move to become an independent company.

77%

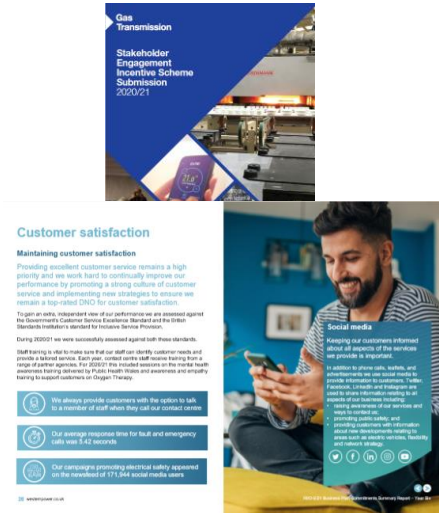
### Wellbeing Index

A particularly relevant measure, employee wellbeing is extremely important to us. Again, we're proud that this has maintained a high level over the last few years.



# Articulating our performance to stakeholders

We want to ensure stakeholders can hold us to account on our performance.  
We propose the following:



Performance snapshot  
Gas Transmission

Performance summary report

Performance report\*

\* Some minimal redactions for commercial or legal purposes

# Quick poll

What level of information would you be interested in?

**Snapshot**

**Summary  
report**

**Full report**

Please explain...

# Questions



# What next?



You will receive the recording and material from today's session



If you have any further questions or would like to discuss anything specific please get in touch with [Jennifer.Pemberton@nationalgrid.com](mailto:Jennifer.Pemberton@nationalgrid.com)



Feedback is important to us, therefore if you have not already taken part, we would like to put you forward for a survey

## Operating the network

Friday 8<sup>th</sup> July

[Register here](#)

## Digital strategy and information provision

Monday 11<sup>th</sup> July

[Register here](#)

## Future regulatory framework

Tuesday 12<sup>th</sup> July

[Register here](#)

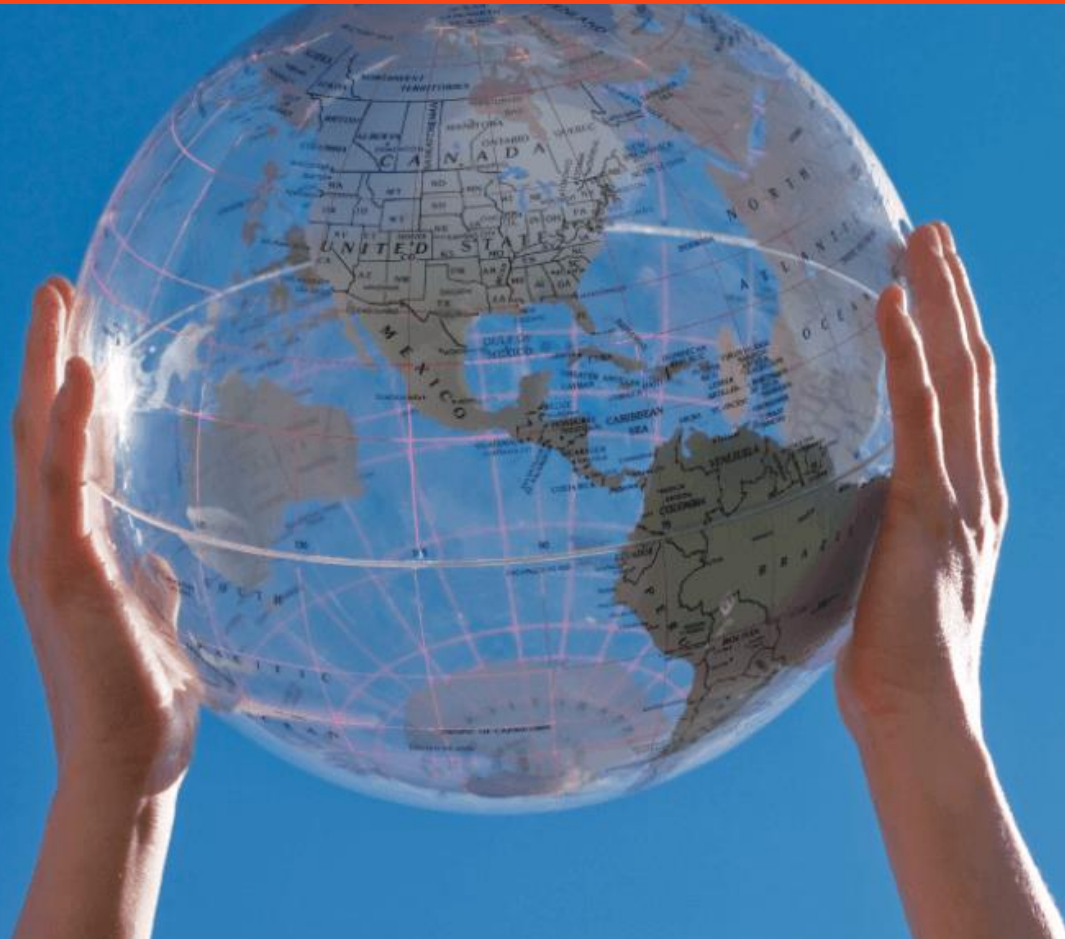
## Future of energy

Thursday 14<sup>th</sup> July

[Register here](#)



Thank you for joining us





**Gas**

**Transmission**