

DELIVERING THE UK'S



GAS & ELECTRICITY



INNOVATING FOR THE FUTURE

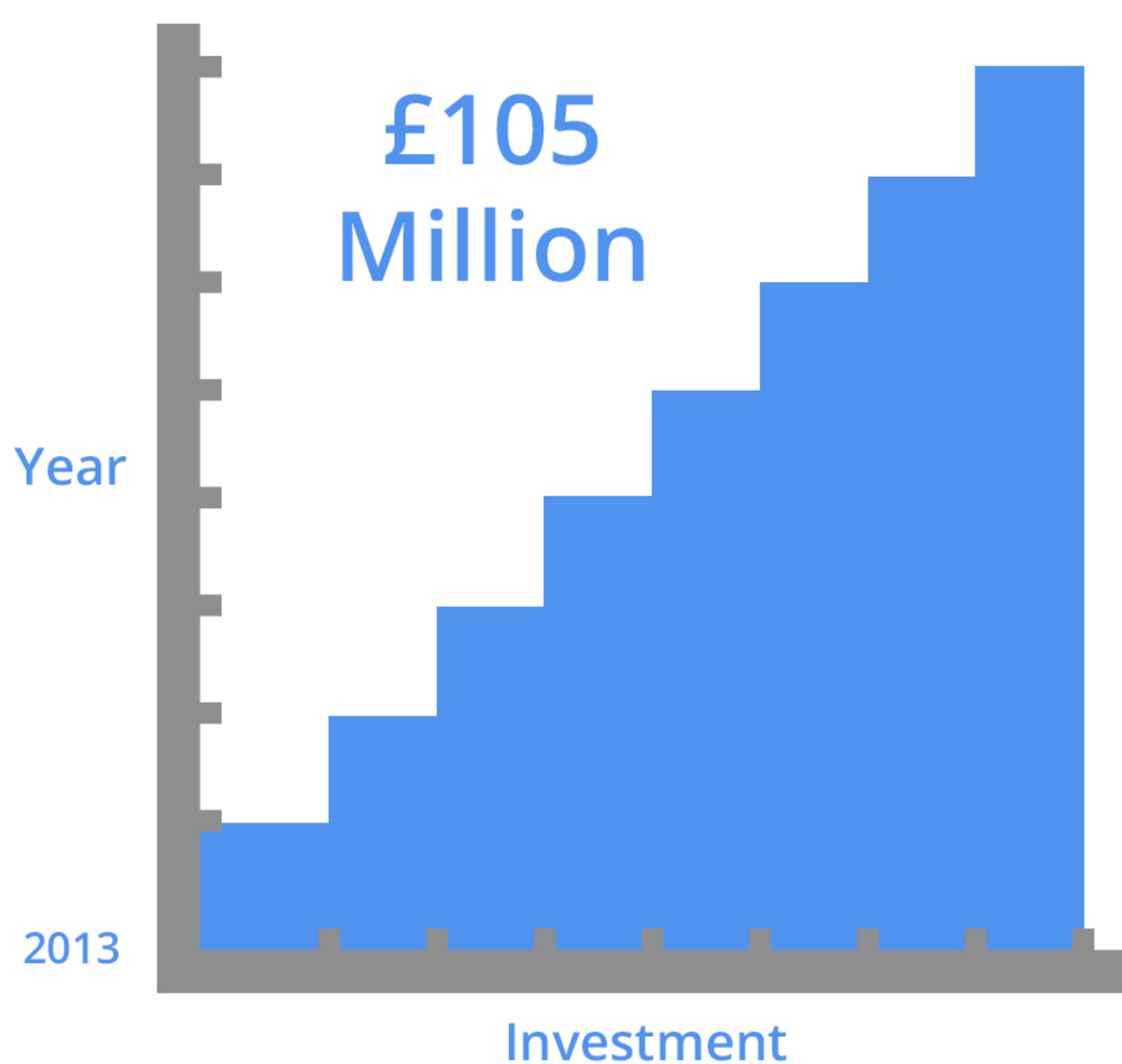


Innovation in the network sector is **fundamental to meeting the challenges** associated with the **decarbonisation of the economy** and will **deliver savings for customers**.

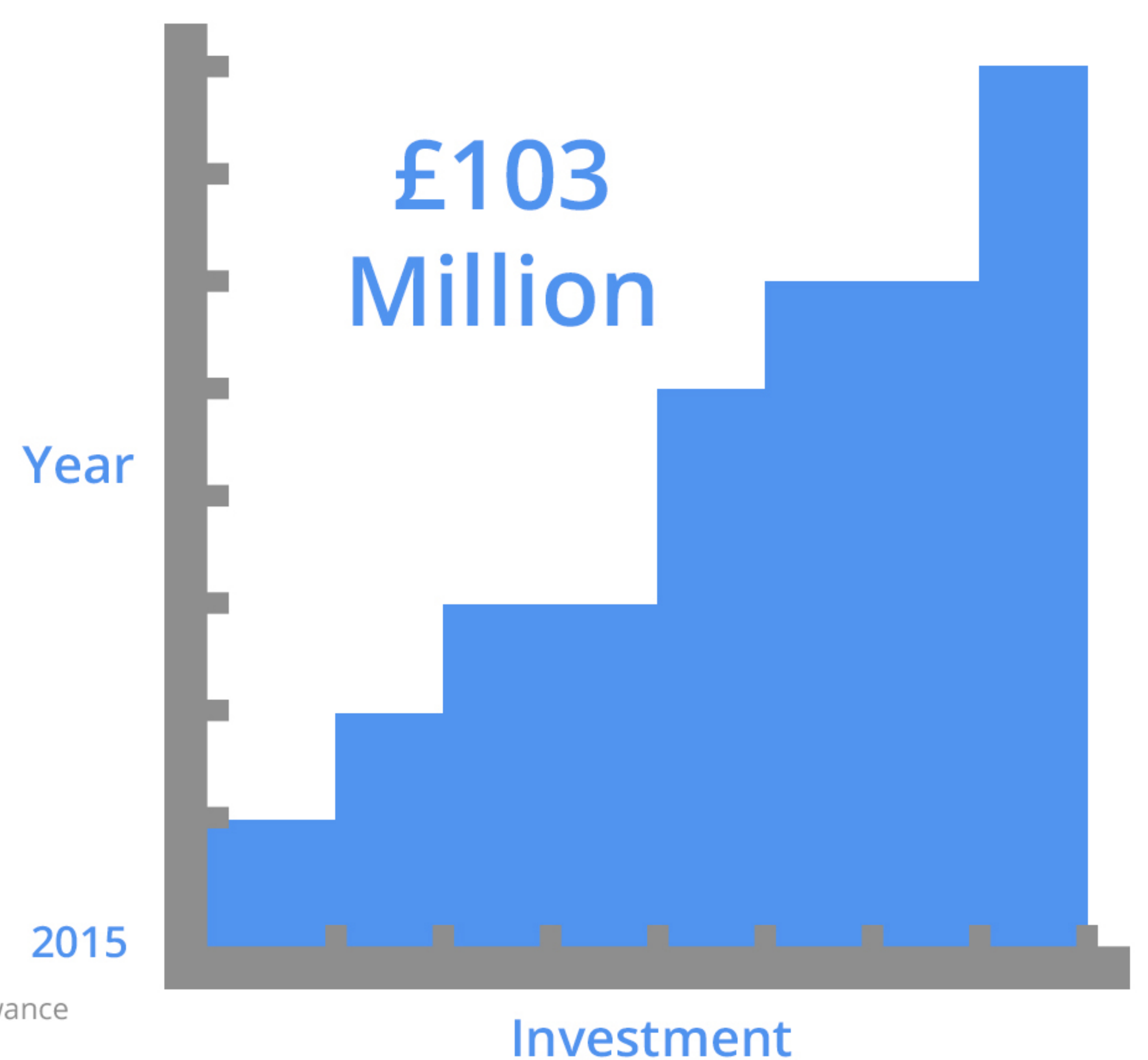
Under the current regulatory innovation funding arrangements, the energy networks have made or planned **investments of over £256 million in innovation**.*

Since 2013, the **gas networks** have planned to **invest over £105 million in innovation**.*

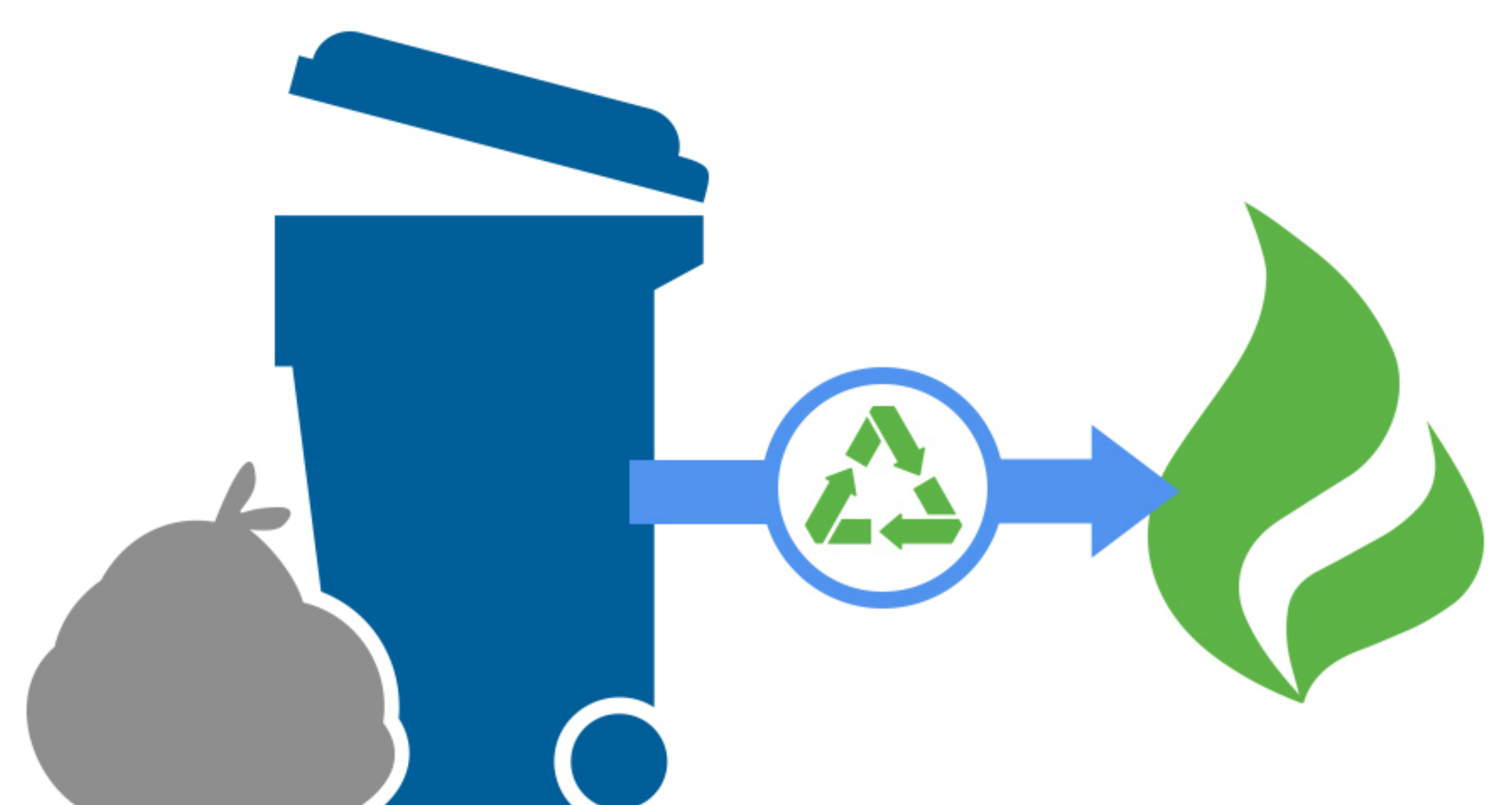
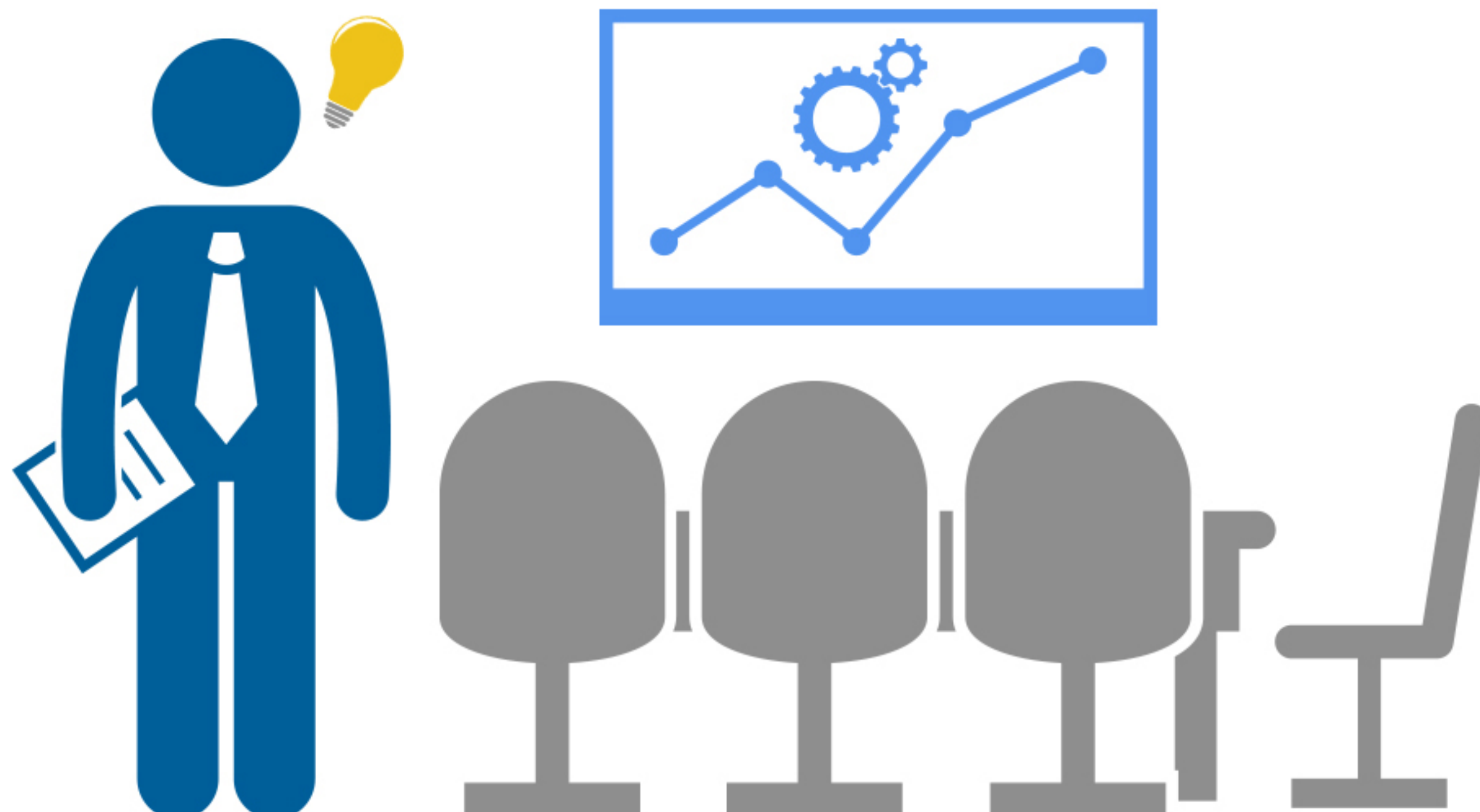
Since 2015, the **electricity networks** have planned to **invest over £103 million in innovation**.*



*through the Network Innovation Allowance and Network Innovation Competition



Gas networks are **innovating to improve efficiency** and investigate **alternative forms of gas**

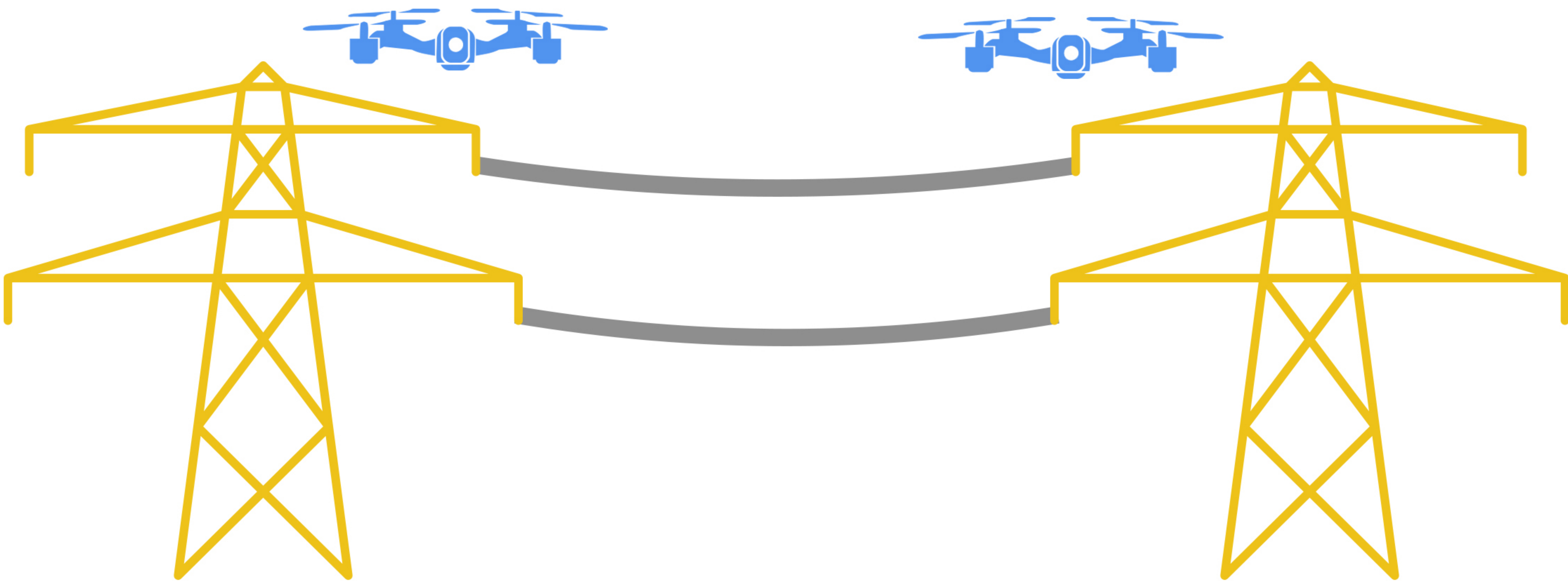


and **develop robots** that can **repair pipes internally** without having to dig up roads.





Electricity distribution network companies are **developing new, innovative ways** of using the existing network capacity **more efficiently**, **reducing the need for costly reinforcement** and **speeding up the time it takes to connect** to the grid. For example, using drone technology to inspect overhead lines, reducing costs and power cuts.



The **Low Carbon Networks Fund (LCNF)** supports projects sponsored by the network companies to **try out new technology, operating and commercial arrangements**. It aims to **improve understanding** of how to provide **security of supply** at **value for money** as the UK moves to a **low carbon economy**.



The LCNF projects could deliver savings **of up to £8.1 billion** and **reduce CO2 emissions by up to 250 million tonnes**, the equivalent of **824 million trees**.*

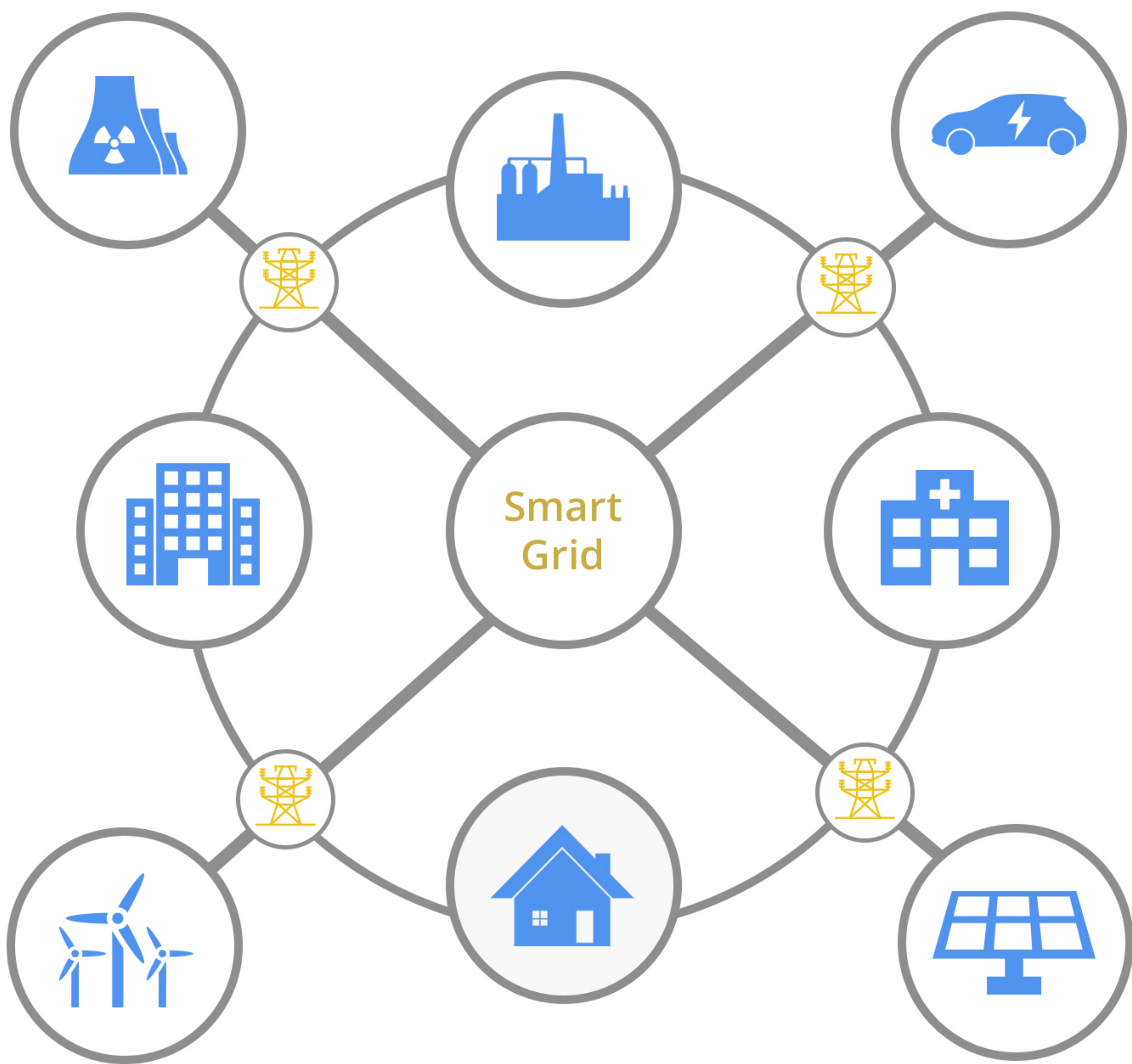
*An Independent Evaluation of the LCNF, Poyry, 2016





Smart grids have the potential of contributing **£13 billion to the UK economy** and **£5 billion of exports between now and 2050**, as well as **8,000 – 9,000 jobs** over 2020s and 2030s.*

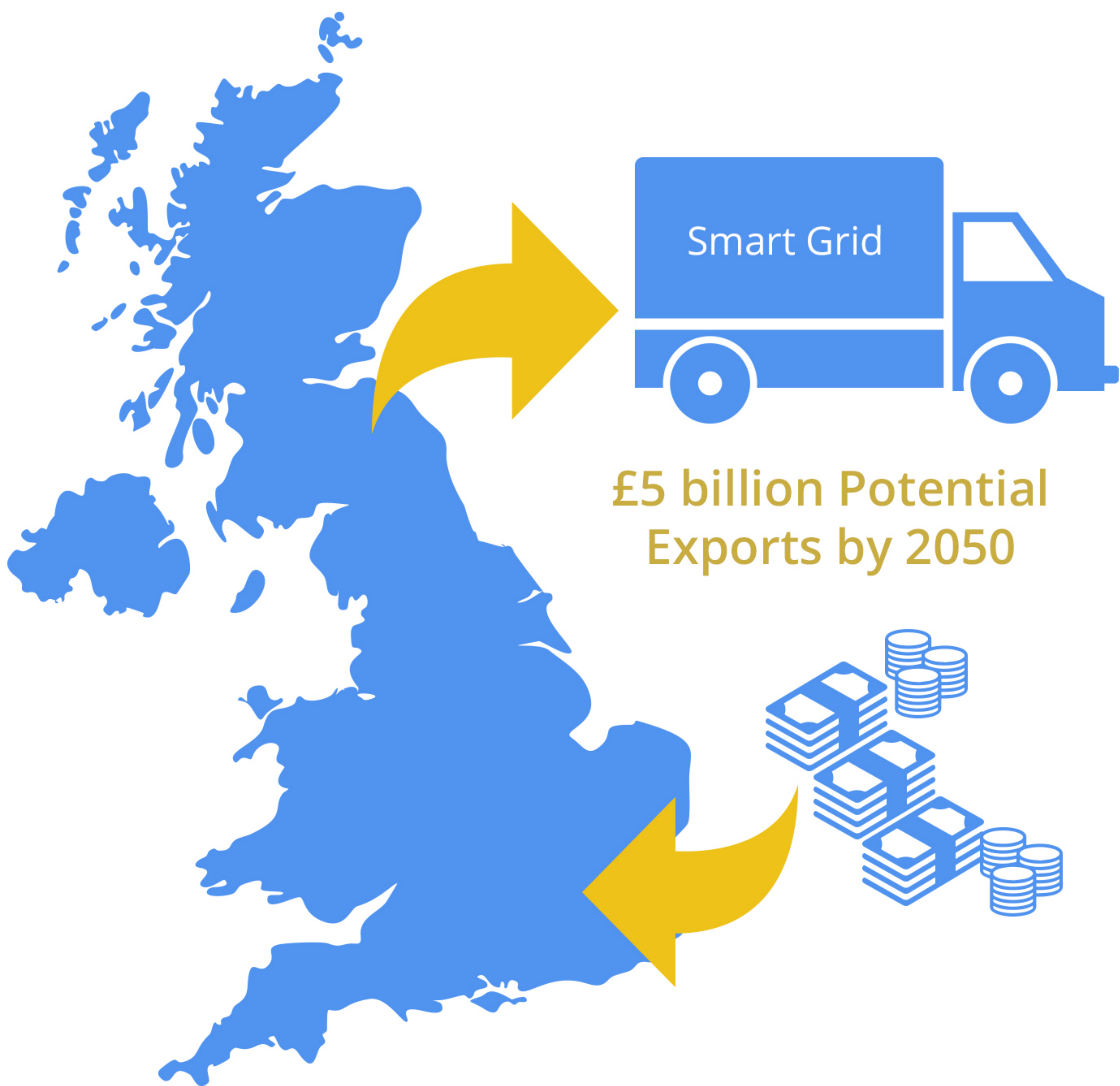
*Delivering UK Energy Investment: Networks, DECC, 2015



£13 billion gross value added to UK economy



8,000 - 9,000 New Jobs



£5 billion Potential Exports by 2050