

WPD Initiative Secures Birmingham's Low Carbon Future

Western Power Distribution

Western Power Distribution (WPD) has secured £13.5 million from energy regulator Ofgem's Low Carbon Network Fund to revolutionise the power network in Birmingham.

The WPD initiative will use ground-breaking new solutions to accommodate more low carbon generation across the city, reducing power cuts and helping Birmingham City Council achieve its climate change emission targets.

Funding was awarded to the Midlands power distribution business as part of Ofgem's Low Carbon Networks Fund competition – an annual contest to fund a small number of flagship projects.

The fund tasks electricity distribution businesses like WPD to examine what they need to do to provide a secure electricity supply at value for money as the country moves to a low carbon economy. It also encourages partnerships with suppliers, generators, technology providers, universities and commercial organisations.

WPD's winning project is called Flexgrid. The initiative includes collaboration with Birmingham City Council, the University of Warwick, global consulting firm Parsons Brinckerhoff, and Cofely, who operate the district heating networks in the city.

The initiative involves installing new types of equipment at ten substations across the city centre to strengthen the existing electricity network, as well as developing an advanced computer control system. The solutions will allow enough additional generation to be connected to power up to 200,000 homes and businesses.

By allowing the additional generation to connect into the city's grid, the project also supports the further development of the city's heat networks – where interconnected pipes transport hot water from generating stations.

The Birmingham network already provides greener heating to locations such as the Children's Hospital, the new Central Library and the International Conference Centre amongst others.

Councillor James McKay, Cabinet Member for Green, Safe and Smart City, was pleased to hear about the funding for WPD's project. "This facilitates the connection of additional and widespread distributed generation in the Birmingham area, specifically Combined Heat and Power units, and it is most welcome," he said.

Professor Philip Mawby is the lead academic for the Energy strand of the University of Warwick's Global Research Priorities programme. He said: "We are delighted to be part of the team delivering this exciting and innovative project that will help start the transformation of the distribution network that is so important to the delivery of the future electricity grid infrastructure."

WPD Chief Executive Robert Symons was delighted that the company had secured the bid.

"This is an excellent project that will not only directly benefit electricity users in Birmingham, but will also provide valuable learning for the energy industry as a whole, as well as other interested parties," he said.

Work on the project will begin immediately, with construction due to start next summer.

Note to editors

- Ofgem's Low Carbon Networks Fund was established as part of its current price control arrangements for electricity distribution businesses (DNOs). It allows up to £500million of support between 2010 and 2015 to projects sponsored by companies that trial new technology, operating and commercial arrangements.
- Two tiers of funding are available. Tier One is designed to enable DNOs to recover a proportion of expenditure incurred on small-scale projects.
- Tier Two involves a competition annually to help fund a small number of flagship projects.
- This 2012 announcement means that WPD now has five Tier Two projects and seven of the 22 Tier One

projects. This is more than any other UK Distribution Network Operator for both categories.

- The Flexgrid project is worth £17 million in total, with WPD investing over £1.5 million themselves into the project.
- In 2010, the first year of the initiative, four projects were awarded second tier funding totalling £63.6million and 11 projects were registered under the first tier.
- Western Power Distribution secured two Tier Two projects in 2010 – the South Wales Network Templates project and the Lincolnshire Low Carbon Hub.
- In 2011, two Western Power Distribution (WPD) initiatives – one in Bristol and one in Milton Keynes – designed to study the effects of connecting low carbon technologies to the electricity network, secured over £14.5million from Ofgem.
- Western Power Distribution is the electricity distribution network operator for the Midlands, South Wales and the South West. The company delivers electricity to more than 7.7 million customers over a 55,300 sq kms service area. Its network consists of 216,000 kms of overhead lines and underground cables, and 184,000 substations.

For further information: WPD Corporate Communications on 01332 827172

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