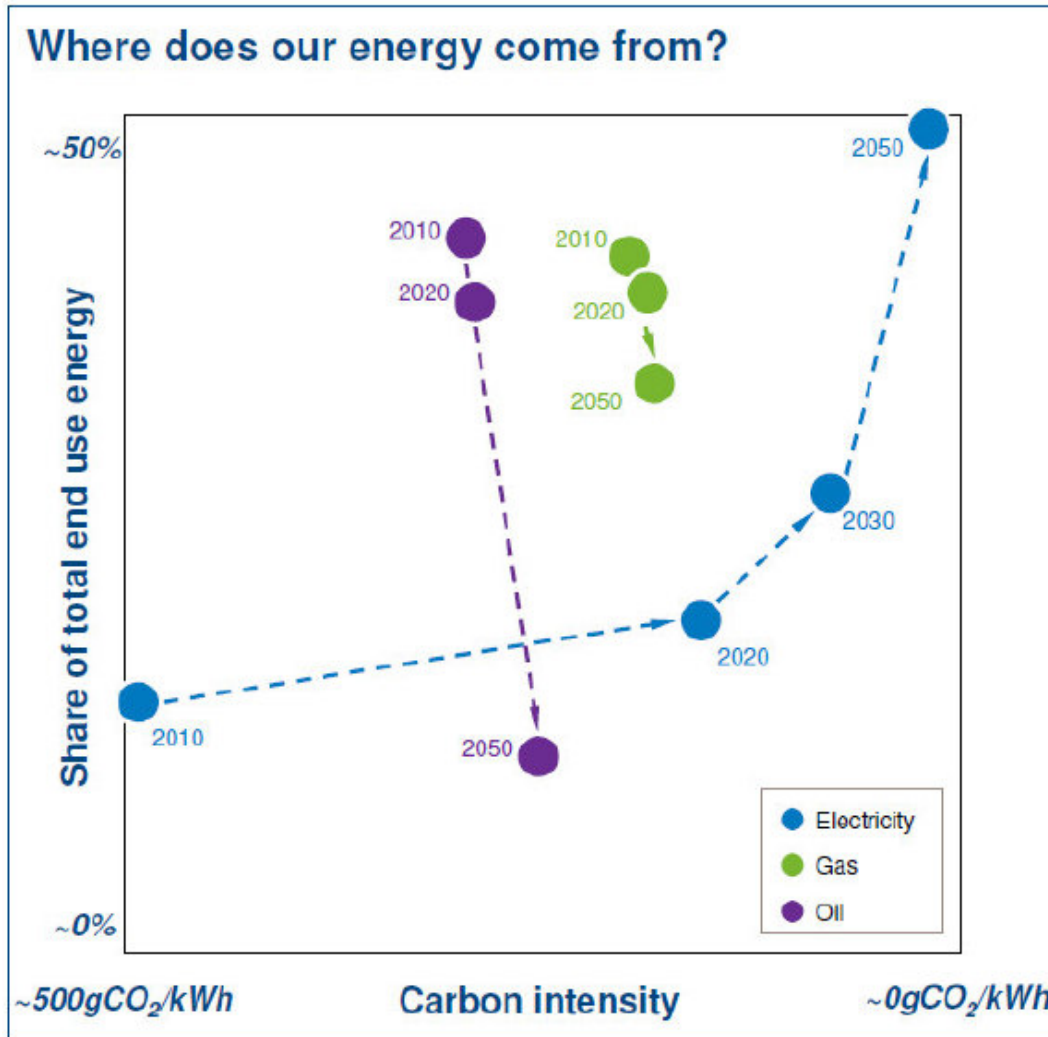


# Electricity Market Reform



Mark Ripley  
Project Director, EMR  
National Grid

# The changing energy landscape



Power station closures

**~25%**

of total capacity by 2020 vs 2010 levels

Decarbonise electricity

**80%**

CO<sub>2</sub> reduction by 2050

Energy from renewables

**~15%**

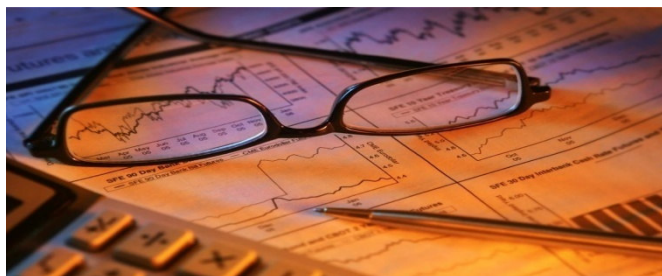
of total supplies by 2020

# EMR Delivery Body

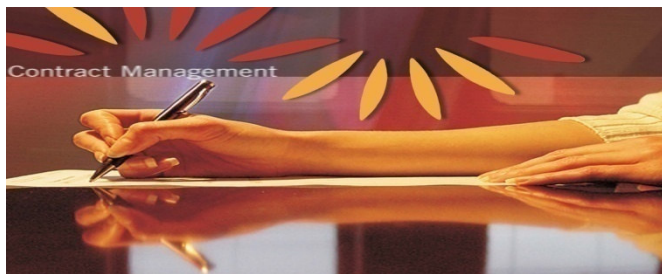
nationalgrid

## What National Grid will do....

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- Provide analysis and modelling information
- Develop scenarios



- Assess eligibility for contracts
- Allocate CfD contracts



- Run capacity auctions
- Administer capacity contracts

Report progress against expected outcomes

## What National Grid will not do...



- Set energy policy
- Set the Security of Supply Standard
- Set CfD Strike prices
- Be the contractual counterparty to the CfD contracts
- Use information gained as a result of the EMR role for any purpose other than EMR

## Where are we today?



- 27<sup>th</sup> June Draft Strike prices
- Capacity auction initiation 2014



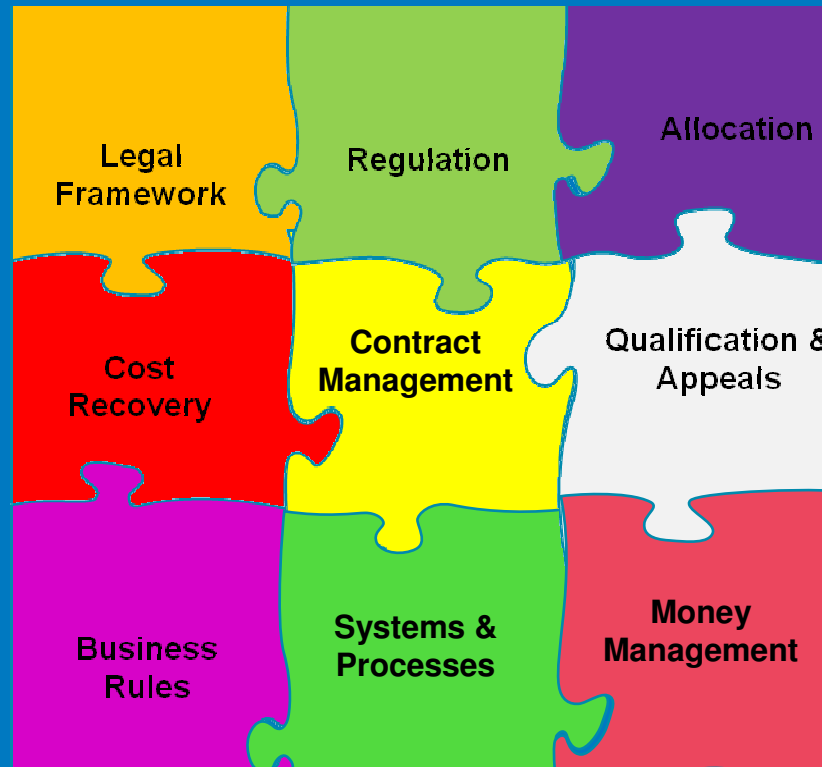
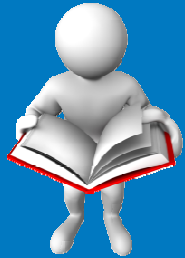
- **17<sup>th</sup> July Delivery Plan consultation**
  - Further details on strike prices
- **Core Scenarios**
  - Renewable targets 30%, 32%, 35%
  - Carbon Intensity trajectory to 100g Co2 by 2030



# Building capability

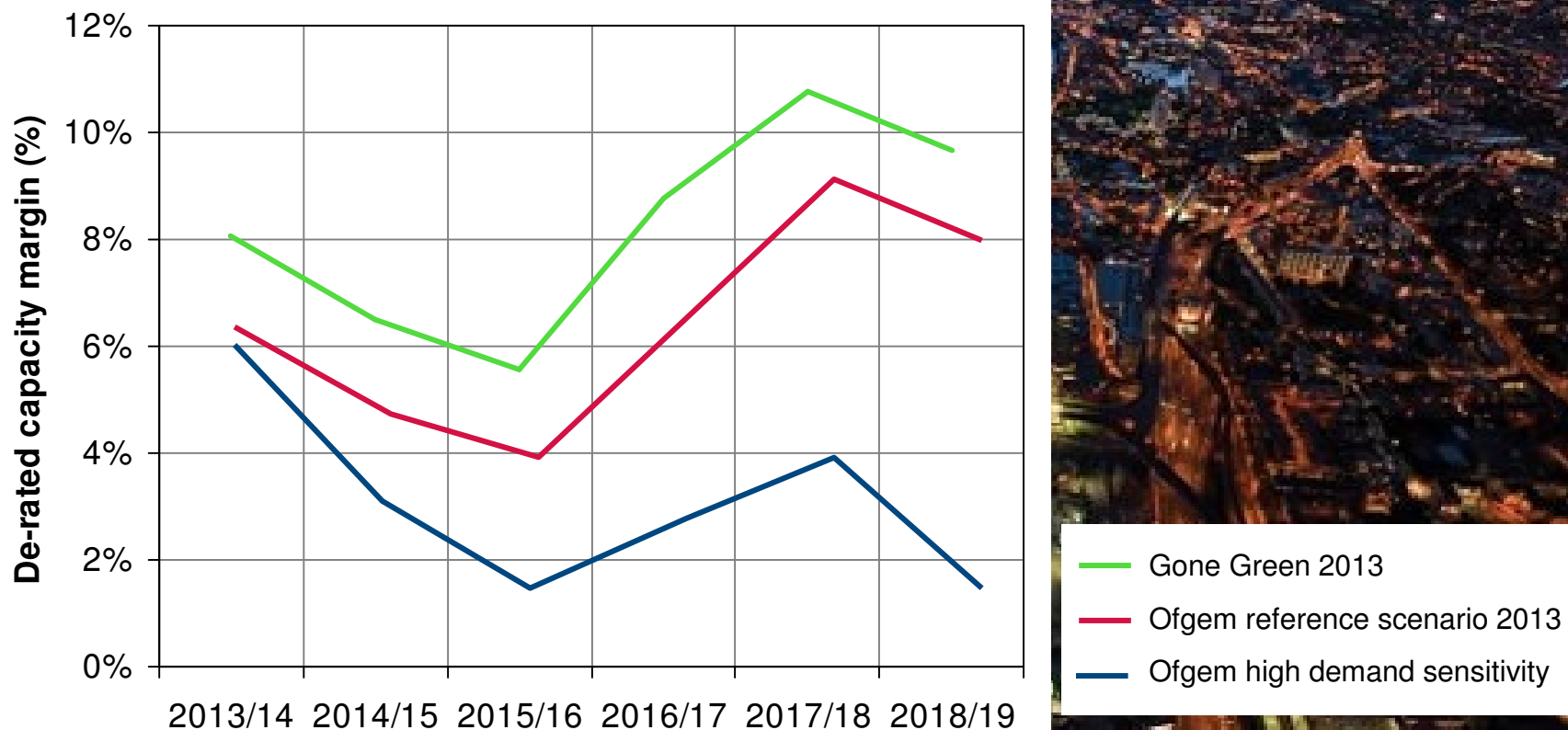


# Collaborative Development



## Capacity Margin Challenges in 14/15 and 15/16

- Ofgem Reference Scenario (Base Case) again results in 4% minimum for 15/16
- All scenarios exposed to a number of other sensitivities e.g. interconnection, wind





## Contingency measures timeline

