

Electricity Network Innovation Competition Full Submission
Supplementary Answer Form

Project: OSEAIT

Tick if this answer has been provided verbally: ☐

Project code	NGET_OSEAIT	Question Number	35
Question date	16 October 2015	Answer date	21 October 2015
Submission section question relates to	Projects		
Topic	Costs		
Question	Does each 'NIC funded project' presume that time, resource and use of common test/monitoring equipment in the facility will be free of charge? If so, what incentive will there be for projects to use the facility in the most efficient manner?		
Notes on question			
Answer	<p>Although the individual NIC funded projects will not be charged directly, the cost of running the facility in terms of time and resource, as well as the equipment itself, is being funded by National Grid Electricity Transmission shareholder money. There is therefore an inherent incentive on National Grid to maximise the efficiency of the facility as well as delivering value on it's investment.</p> <p>As was depicted by the answers to the first bilateral meeting in conjunction to the benefits curve presented at the second meeting, the regulatory framework ensures any value created is shared between the consumer and utilities. It also guarantees the alignment between the long-term interests of consumers and utilities.</p>		
Attachments			