

Electricity Network Innovation Competition Full Submission
Supplementary Answer Form

Project: OSEAIT

Tick if this answer has been provided verbally: ☐

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| Project code | NGET_OSEAIT | Question Number | 32 |
| Question date | 16 October 2015 | Answer date | 22 October 2015 |
| Submission section question relates to | SD_01 | | |
| Topic | Governance | | |
| Question | Please explain how the consumer will be represented at the TAB? We note that Ofgem will be invited to partake in an 'advisory role' but it is unclear how the consumer will be represented with full voting rights. | | |
| Notes on question | | | |
| Answer | <p>We are happy for Ofgem to have voting rights if this is the preferred route and/or for Ofgem to nominate a technical representative for the TAB should they not wish to have voting rights themselves.</p> <p>The initial thought behind having Ofgem as part of the advisory team was the fact that, as a regulated asset, Ofgem would implicitly have a say in the management and budget allocation.</p> <p>I believe that this question also arose due to the challenge from Jo regarding the disposal of the facility so I have taken the liberty to attempt to address this question below as well.</p> <p>Should National Grid no longer wish to own and run the facility, it would either be sold or decommissioned.</p> <p>We propose that the sale price would be based on at least one independent open market valuation of the assets.</p> <p>We propose that first refusal to acquire the assets would be given to other Network Licensees, with the intention that the facility would continue to be operated as a test facility for the</p> | | |

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| | <p>benefit of consumers.</p> <p>Should no Licensee express an interest in acquiring the facility, it would be offered on the open market. Should no sale occur the site would be decommissioned.</p> <p>It should be noted that disposal of these assets would require formal consent from Ofgem under Condition B3 of the Licence. Under this condition, National Grid is required to set out how any such disposal would be in the interests of consumers. Ofgem has legal obligations under the Electricity Act to protect the interests of consumers and so would not permit the disposal of the assets unless it was in their interest.</p> |
| Attachments | |