

UK POWER NETWORKS: EASTERN POWER NETWORKS PLC (EPN)  
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Date: 06 September 2024

Dear UK POWER NETWORKS: EASTERN POWER NETWORKS PLC (EPN),

**SIF Project Direction ref: UKPNOL/SHIELD/SIFSJET/RD2 Beta**

UK POWER NETWORKS: EASTERN POWER NETWORKS PLC (EPN) submitted SHIELD (the Project) to be considered for funding through the Beta Phase of the Strategic Innovation Fund (SIF). As explained in greater detail below, this Project previously received SIF Funding and completed a Discovery Phase and Alpha Phase for round 2 of the SIF. In our<sup>1</sup> SIF funding decision issued on 06 September 2024, we selected the Project<sup>2</sup> for conditional funding and as a result we are now issuing this SIF Project Direction to implement that decision.

UK POWER NETWORKS: EASTERN POWER NETWORKS PLC (EPN) must comply with the conditions contained in this SIF Project Direction as a condition of the Project receiving funding through the SIF. These conditions can be found in the Schedule to this document.

**Progression through SIF Phases**

The SIF consists of a multi-phase approach for Projects in order to mitigate the risk associated with innovations. The Discovery Phase focuses on feasibility, the Alpha Phase on experimental development, and the Beta Phase on deployment and demonstration.

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<sup>1</sup> The terms 'we', 'us', 'our' refer to the Gas and Electricity Markets Authority. Ofgem is the office of the Authority.

<sup>2</sup> Unless otherwise specified, defined terms in this SIF Project Direction have the meaning given to them in Appendix 1 of the SIF Governance Document.

The Project previously received SIF Funding for the Discovery Phase<sup>3</sup> and Alpha Phase<sup>4</sup> of round 2, and submitted an Application for the Project to be considered for SIF Funding through the Beta Phase of round 2 of the SIF. As stated above, the Project has been selected to receive SIF Funding for the Beta Phase of round 2.

### **Role of UK Research & Innovation (UKRI)**

As per Chapter 1 of the SIF Governance Document<sup>5</sup> the role of UKRI is to deliver the SIF in line with the SIF Governance Document - administering the funding programme, monitoring the delivery of Projects, collating data from Projects on benefits, making recommendations to Ofgem on operational matters, supporting third-party innovators and, where possible, successful Projects to become 'business as usual' activities. To support the success of the Projects and the SIF programme, we expect that the Funding Party and Project Partners collaborate with Ofgem and UKRI.

### **SIF Project Direction**

Paragraph 5.14 of the SIF Governance Document states that a SIF Project Direction will:

- Set out the Project-specific conditions, to which the Funding Party is committing in accepting SIF Funding.<sup>6</sup>
- Require the Funding Party to undertake the Project in accordance with the commitments made in the Application. Where appropriate, the SIF Project Direction may therefore include extracts from the Application or refer to specific sections of the SIF Application.<sup>7</sup>
- Where applicable, set out conditions (such as Project stage gates) linked to milestones and deliverables, which Projects must meet.<sup>8</sup>
- Set out the SIF Approved Amount for the Project, that will form part of the calculation contained in the SIF Funding Direction issued by the Authority under chapter 7 of the SIF Governance Document.<sup>9</sup>
- Set out the Project budget that the Funding Party must report against and how variations in the Project budget will be reported.<sup>10</sup>

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<sup>3</sup> The Project Directions for round 2 of the Discovery Phase are available at:

<https://www.ofgem.gov.uk/publications/strategic-innovation-fund-discovery-projects-approved-funding>.

<sup>4</sup> The Project Directions for round 2 of the Alpha Phase are available at:

<https://www.ofgem.gov.uk/publications/strategic-innovation-fund-round-2-alpha-projects-approved-funding>.

<sup>5</sup> <https://www.ofgem.gov.uk/publications/sif-governance-document>

<sup>6</sup> 'Project specific conditions' detailed under Point 3 – 'Condition President' of this SIF Project Direction.

<sup>7</sup> 'Project specific conditions' detailed under Point 3 – 'Condition President' of this SIF Project Direction.

<sup>8</sup> 'Project specific conditions' detailed under Point 3 – 'Condition President' of this SIF Project Direction.

<sup>9</sup> 'SIF Funding Amount' detailed under Point 5 – 'Condition President' of this SIF Project Direction.

<sup>10</sup> 'Annex 1 – Project Budget.

- Where applicable, set out special information sharing requirements applicable to the Project.<sup>11</sup>
- Set out the mechanism for the Funding Party receiving the SIF Approved Amount as set out in the SIF Funding Direction.<sup>12</sup>

All SIF Project Direction requirements are detailed in the Schedule to this SIF Project Direction.

### **Decision**

Provided the Funding Party complies with the SIF Governance Document and with the Schedule to this SIF Project Direction, the Project is deemed to be an Eligible SIF Project<sup>13</sup>.

This SIF Project Direction constitutes notice pursuant to section 49A (Reasons for decisions) of the Electricity Act 1989.

**Marzia Zafar**

**Deputy Director, Decentralisation & Digitalisation**

**For and on behalf of the Authority**

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<sup>11</sup> 'Project specific conditions' detailed under Point 3 – 'Condition President' of this SIF Project Direction.

<sup>12</sup> 'SIF Funding Amount' detailed under Point 5 – 'Condition President' of this SIF Project Direction.

<sup>13</sup> The meaning 'Eligible SIF Project' is described in Chapter 2 of the SIF Governance Document.

## Schedule to SIF Project Direction

### 1. PROJECT DETAILS

SIF Project Direction reference: UKPNOL/SHIELD/SIFSJET/RD2\_Beta

Application number: 10127935

Project title: SHIELD

Innovation Challenge/Project Phase: Supporting a Just Energy Transition / Beta Phase round 2

Project start date: 02 September 2024

Project end date: 31 October 2028

SIF Approved Amount for SIF Funding: £5,401,332

### 2. PREAMBLE

This SIF Project Direction is issued by the Gas and Electricity Markets Authority (the "Authority") to UK POWER NETWORKS: EASTERN POWER NETWORKS PLC (EPN) (the "Funding Party") pursuant to the SIF Governance Document issued pursuant to Special Condition 9.9 of the Electricity Distribution. It sets out the conditions to be complied with in relation to SHIELD (the "Project") as a condition of it being funded under the SIF Funding Mechanism.<sup>14</sup>

Unless otherwise specified, defined terms in this SIF Project Direction have the meaning given to them in the Licence or Appendix 1 of the SIF Governance Document.

References to specific sections of the Funding Party's Application in this SIF Project Direction are, for ease of reference, made by referring to the section number in the Funding Party's Application.

### 3. PROJECT SPECIFIC CONDITIONS

In accepting funding for the Project, the Funding Party is subject to the following Project-specific condition(s):

#### **Condition 1**

The Funding Party must not spend any SIF Funding until contracts are signed with the Project Partners named in Table 1 for the purpose of completing the Project.

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<sup>14</sup> The SIF Funding Return Mechanism is defined in the SIF Governance Document.

**Table 1. Project Partners**

URBANCHAIN LTD
ELECTRICITY NORTH WEST LIMITED
UK COMMUNITY WORKS CIC
POWER CIRCLE PROJECTS LTD
THERMIFY HOLDINGS LIMITED
ESSEX COUNTY COUNCIL
CITIZENS ADVICE ESSEX LIMITED
EASTLIGHT COMMUNITY HOMES LIMITED
ESSEX COMMUNITY ENERGY CIC

***Condition 2 – financial contribution***

The Funding Party must report on the financial contributions made to the Project as set out in its Application. Any financial contributions made over and above that stated in its Application should also be reported and included within the Project costs template.

***Condition 3 – Meeting arrangements***

The Funding Party must participate in all meetings related to the Project that they are invited to by Ofgem, UKRI and DESNZ during the Beta Phase.

***Condition 4 – Stage gate scoping***

The Funding Party must, with support from Innovate UK/UKRI and, where applicable Ofgem, scope the requirements and success criteria for each stage gate, as set out in the project management plan within a Project at the quarterly reporting meetings ahead of any stage gate. These will be used to determine what criteria a Project must meet in order to pass a stage gate, and whether any additional information, such as a report, must be produced as part of the stage gate.

***Condition 5 – Impact monitoring***

As part of the end of Project Phase report, the Funding Party must produce a Project Impact Monitoring and Evaluation Plan. This plan must outline how the Project plans to monitor and evaluate the delivery of benefits outlined in the Beta Phase Application following the end of the Beta Phase. The plan must also include the methodology that will be utilised for quantifying and qualifying benefits realisation and how the Funding Party plans to report this to Ofgem 1, 3, 5 & 10 years post-Beta Phase completion. Further details on how to approach the development of this plan may be provided by Ofgem or IUK.

### ***Condition 6 – SIF Community Forums***

The Funding Party and all Project Partners must make reasonable attempts to attend, participate and/or contribute at SIF Community Forum events occurring during the Project delivery. We anticipate there being approximately one event per year.

### ***Condition 7 – Policy, regulatory and standards barriers***

The Funding Party must provide verbal updates at each quarterly meeting on any regulatory, policy and standards barriers and any change requirements which may impact delivery of the Beta Phase activities. The Funding Party must also include as an attachment to each of its annual progress report an update on any regulatory, policy and standards barriers which may require derogations and articulation of any proposed regulatory, policy and standards changes which would be necessary in deployment. The Funding Party must also provide an as an attachment to its end of Project Phase report a summary of the Project's findings on regulatory, policy and standards barriers, including any considerations for future work, and where applicable, where specific regulatory, policy and standards changes would be required for deployment.

### ***Condition 8 – Updated 60-second videos***

The Funding Party must provide within the first three months of signing contracts with its Project Partners an updated 60-second video. If the Project is greater than two years (longer than 24 months) in length, an updated video must also be provided at the Project's mid-point meeting. All Projects must also provide an updated 60-second video as part of their end of Project phase report. Innovate UK can share its guidance for 60-second videos with the Funding Party, if necessary.

### ***Condition 9 – Post-Beta Phase roadmap***

The Funding Party must provide to the monitoring officer within six months of it signing contracts its Project Partners a roadmap for activities post-Beta Phase. This can build on the Project's Application question (question 11) and must focus on how and when the proposed solution will become business as usual within your network and across the other GB gas or electricity networks.

As part of this, the Funding Party must include consideration for:

- I. any steps the Project will take to ensure its innovation has suitable business as usual adoption;

- II. the Funding Party's strategy for adoption of the innovation or proposed solution, giving consideration to potential investment, ongoing costs and third-party involvement and;
- III. any early indication of interest from other networks in adopting the innovation.

The Funding Party must provide an update on all the above at every two quarterly monitoring meetings (i.e. every six months) and must include a final update of this roadmap as attachment to its end of Project Phase report.

### ***Condition 10 – Commercialisation strategy***

The Funding Party must provide at every second quarterly monitoring meeting (i.e. every six months) an update on its commercialisation strategy. This can build on the Project's Application question (question 12) and must focus on what considerations have the Project consortium made for the commercialisation of the proposed solution or innovation, and how the Project provides support for non-network partners to move towards commercialisation. As part of this, the Funding Party may wish to include consideration for:

- I. who the primary customer segment is beyond the Funding Party; the customer value proposition;
- II. if identified, the outline of the route to market and potential new partnerships;
- III. any additional Project Partner capital requirements in order to commercialize the innovation and;
- IV. how this product, process or service could be scaled across the GB network and taken to new markets.

The Funding Party must also include a final update of its strategy as an attachment to its end of Project Phase report. Ofgem and/or Innovate UK may issue a template for the final update as part of the end of Project Phase report.

### ***Condition 11 - Data Best Practice and Digital Strategy and Action Plan Guidance alignment***

The Funding Party must provide at its second monitoring meeting (i.e. quarter one) a summary of how it intends to comply with Ofgem's Data Best Practice Guidance, and Digitalisation Strategy and Action Plan Guidance. Additionally, a part of its year 1 annual progress report, the Funding Party must provide a written update to the monitoring officer on its incorporation and application of data best practices to date in the Project, including its presumed open data policies, and data triaging methodology.

### **Condition 12**

At the kick off meeting, the Project must provide explanation on how the tenant would receive the discount on electricity should they change supplier.

### **Condition 13**

Prior to the Funding Party beginning work on the Project, it must provide to the monitoring officer an update on the two pilot installations of the Heathhub showing the technical viability of the solution. Further updates must be provided during the quarterly meetings until the installations have been completed.

## **4. COMPLIANCE**

The Funding Party must comply with Special Condition 9.9 of the Electricity Distribution Licence (the "Licence"), the SIF Governance Document and with this SIF Project Direction.

## **5. SIF APPROVED AMOUNT**

The SIF Approved amount of £5,401,332 (as detailed under Section 1: Project details of this Project Direction) will be recovered by National Grid Electricity System Operator from GB customers and transferred to the Funding Party. The Funding Party is responsible for notifying National Grid Electricity System Operator of the bank account details to which transfers must be made, in addition to completing Annex 2 of this SIF Project Direction. If a Funding Party is required to return funding to National Grid Electricity System Operator, the reverse applies. The Funding Party must provide bank account details to National Grid Electricity System Operator within two weeks of accepting this SIF Project Direction.

## **6. PROJECT BUDGET**

The Project Budget is set out in Annex 1 of this SIF Project Direction.

The Funding Party must report on expenditure against each line under the category total in the Project Budget and explain any projected variance against each line as part of its detailed report which will be provided, in accordance with Chapter 7 of the SIF Governance Document. The Funding Party must report variations in the Project budget as outlined in Chapter 6 of the SIF Governance Document.



## **7. PROJECT IMPLEMENTATION**

The Funding Party must undertake the Project in accordance with the commitments it has made in the Application and with the conditions of this SIF Project Direction. These include (but are not limited to) the following:

- (i) undertake the Project in accordance with its Application,
- (ii) complete the Project on or before the Project completion date as detailed under section 1 of the schedule of this SIF Project Direction, and
- (iii) disseminate the learning from the Project at least to the level described in chapter 3 of the SIF Governance Document. Dissemination of learning must be carried out whether the Project was concluded successfully or otherwise.

## **8. REPORTING**

Ofgem and UKRI may issue guidance (and amend it from time to time) about the structure and content of the Project reporting required by Chapter 6 of the SIF Governance Document. The Funding Party must follow this guidance in preparing the reports.

The Funding Party must submit an end of Project Phase report to UKRI monitoring officers for the Beta Phase. Within this report, the Funding Party must submit information related to questions on Project delivery as detailed in chapter 6, table 6 of the SIF Governance Document.

## **9. MONITORING**

The Funding Party must comply with any reasonable request for information by its monitoring officer at UKRI and related deadlines. Ofgem, with the support of UKRI, will together monitor Project delivery, impacts and benefits. Throughout the term of the Project, progress is monitored by UKRI through a monitoring officer. The monitoring officer is the first point of contact for official notifications, queries and correspondence with UKRI and the Authority, unless otherwise required by this SIF Project Direction.

As detailed in Chapter 6 of the SIF Governance Document, meetings with the monitoring officer will take place at regular intervals, as advised by Ofgem or the monitoring officer during the delivery of the Project, and at the end of each Project Phase.

## 10. EVALUATION

The Funding Party has acknowledged when it submitted its Application for this Project, that reporting information and data gathered during the Project's timescales (as detailed in Section 1 of this SIF Project Direction) will be used to evaluate Project performance. In addition, the Funding Party may be required to provide requested information outside of the Project timescales and, in particular, for the period from the Project end date to the end of the SIF Programme. Further data and reporting information may be requested (frequency and method based on requirement) outside of standard monitoring and reporting requirements as deemed necessary. Further data and information requirements must be complied with by the Funding Party and Project Partners.

## 11. DATA SHARING

As set out in Chapter 3 of the SIF Governance Document, the Funding Party must follow Data Best Practice Guidance with regards to all data gathered or created in the course of a Project. We expect the Funding Party to document any reasons, such as commercial sensitivities, for desensitising data. As defined by, and in accordance with, Data Best Practice Guidance, Funding Parties must have a data triage process. Where multiple Project Partners are collaborating on a Project, the consortium must adopt a consistent Open Triage Process for the data related to the Project. Ofgem may require that Project information and data is also shared with other specified parties, such as parties working on complementary innovation funding programmes (subject to redaction of sensitive data).

## 12. CYBER SECURITY

It is the responsibility of the Funding Party and all Project Partners to implement and maintain appropriate security measures to protect personal data in accordance with The GDPR (General Data Protection Regulation)<sup>15</sup> and DPA (Data Protection Act) 2018<sup>16</sup>. Protection of computer systems from unauthorised access or being otherwise damaged or made inaccessible must be in place alongside effective working practices. These must be maintained in line with the Funding Party's IT Management Strategies and policies.

## 13. PROJECT MILESTONES

The Funding Party must submit its end of Project Phase report to its monitoring officer that verifies the Project milestones have been achieved or explains why they have not.

<sup>15</sup> [https://ec.europa.eu/info/law/law-topic/data-protection/data-protection-eu\\_en](https://ec.europa.eu/info/law/law-topic/data-protection/data-protection-eu_en)

<sup>16</sup> <https://www.legislation.gov.uk/ukpga/2018/12/contents/enacted>

Project milestones are outlined below in Table 3, based upon details contained within Question 7 and Appendix Question 9 in the Funding Party's.

**Table 3. Project milestone<sup>17</sup>**

Reference	Project milestone	Deadline	Overall objectives and key tasks	SIF Funding Request
Milestone 1	Work package 1: Project Management and Governance	30/09/2028	<p><b>1.1 Mobilise partners and ensure SIF contracts are signed</b></p> <p><b>1.2 Plan (identify and agree on key milestones under each workstream, risks, dependencies, and review process, contracts set-up and onboarding)</b></p> <p><b>1.3 &amp; 1.5 Monitor progress and learning, and report interim progress to Innovate UK (initial meeting, quarterly presentations, 6-monthly SIF community forums, annual reports &amp; mid project catchup). Annual reports will include relevant updates on benefits mapping, business case, CBA &amp; post-beta phase roadmap. Commercialisation strategy and regulatory delivery barriers will be updated every 6 months.</b></p> <p>1.3.1 &amp; 1.5.1 Ongoing project management support, including meeting minutes, Project Management spreadsheet, risk register &amp; Gantt chart updates from ECC</p> <p><b>1.4 Prepare the project mid-point summary video (to be included for the mid point review)</b></p> <p><b>1.5 Produce end of phase reporting</b></p> <p><b>1.6 Produce dissemination reporting and present at Show &amp; Tell"</b></p>	£779,959

<sup>17</sup> As outlined in in the Application or Project Plan appendix.

Milestone 2	Work package 2: Technical Evolution	30/09/2027	<p><b>2.1 Monitor and review HeatHub and SLES pilot deployment, ensuring performance meets project and tenant needs (including weekly monitoring, engaging with customer via phone, site visits..)</b></p> <p><b>2.2 Review Heat storage options with alternatives</b></p> <p><b>2.3 Automate data collection via battery API, evaluating Sycous SAAS option for billing and collection options</b></p> <p><b>2.4 Develop HeatHub IP65 compliant external enclosure solution</b></p> <p><b>2.5 Undertake ridgeblade wind pilot in two homes</b></p> <p><b>2.5 Test Thermify Heat Hub/Kensa Ground Source Heat Pump (GSHP) interface, collaboration at Kensa test rig</b></p> <p><b>2.6 Develop and assess Grid Services development</b></p> <p>2.6.1 Preparation for demand flexibility service &amp; export from SHIELD battery assets</p> <p>2.6.2 Preparation for wider grid services/ export deployment</p> <p>2.6.3 Selection of grid services aggregator partner for wider deployment</p> <p>2.6.4 Exploration of scope for use of heat assets (include Thermify's HeatHub) for grid services</p>	£308,646

Milestone 3	Work package 3: Commercial Evolution	30/09/2025	<b>3.1 Tenant review of simplified contracts</b>  3.1.1 Redraft Plain English versions of contracts and provide infographics of contract terms  3.1.2 Final versions of contracts tested with tenants  <b>3.2 Review VAT for SHIELD energy supply services</b>  <b>3.3 Extend contract suite to enable low income households to participate in these tenure types</b>  <b>3.4 Provide Peer-to-Peer (P2P) supply (related to householders) and generator options (related to Essex Community Energy acting as an Energy service company (ESCO))</b>	£61,170
Milestone 4	Work package 4: Regulatory Evolution	31/12/2025	<b>4.1 Liaise with Building Research Establishment to support in completing the Appendix Q consideration of HeatHub</b>  <b>4.2 Assess implications for SHIELD of SAP 11 (Home Energy Model) and provide input where possible</b>	£19,732
Milestone 5	Work package 5: Inclusion Evolution	31/12/2026	<b>5.1 Prepare and test support packages for those with low digital skills, sensory disadvantages and communication difficulties to facilitate decision making and informed consent to participation in SHIELD</b>  <b>5.2 Develop more inclusive tenant interfaces</b>  <b>5.3 Prepare and test alert services in relation to vulnerable households utilising SLES data</b>	£58,064

Milestone 6	Work package 6: Beta Recruitment	30/06/2026	<p><b>6.1 Beta recruitment of social landlords</b></p> <p>6.1.1 Documented recruitment of social landlords and their participation in Social ESCo model for SHIELD trials</p> <p>6.1.2 Number of properties and their eligibility for SHIELD trial confirmed with social landlords</p> <p><b>6.2 Beta Recruitment of tenants for SHIELD install phase 1</b></p> <p>6.2.1 Creation and distribution of comms materials for Eastlight / Citizens Advice</p> <p>6.2.2 Creation and distribution of comms materials for participating social landlords</p> <p>6.2.3 Tenant recruitment post comms delivery. Update database of households participating in SHIELD Beta Phase trials and maintaining quarterly engagement throughout</p> <p><b>6.3 Beta Recruitment of tenants and low income homeowners for second install phase</b></p> <p>6.3.1 Update and distribution of comms materials for participating social landlords</p> <p>6.3.2 Tenant recruitment post comms delivery. Update database of households participating in SHIELD Beta Phase trials and maintaining quarterly engagement throughout.</p>	£277,044
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Milestone 7	Work package 7: Beta Deployment	01/09/2027	<p><b>7.1 Provide service delivery and grid services to all participating households</b></p> <p>7.1.1 Heating and electricity delivery and support to SHIELD participants</p> <p>7.1.2 Initial grid services deployment</p> <p>7.1.3 Delivery of wider grid services including tracking of operations, revenue and household impact</p> <p>7.1.4 Creation of quarterly reports on energy services delivery</p> <p><b>7.2 Follow up support and engagement, using inputs for later deployments</b></p> <p>7.2.1 Design and test surveys and questionnaires</p> <p>7.2.2 Conduct surveys and questionnaires (and associated reports)</p> <p>7.2.3 Collect and analyse survey responses, and produce final report analysing responses</p> <p><b>7.3 Beta installations Phase 1</b></p> <p>7.3.1 SLES installations</p> <p>7.3.2 Thermify installations</p> <p>7.3.3 Q Zeta Heat Storage Trial Installations</p> <p><b>7.4 Beta installations Phase 2 (Thermify installations only)</b></p>	£3,507,242
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Milestone 8	Work package 8: Preparation for Wider Roll Out	30/07/2028	<p><b>8.1 Lead workshops to define a detailed collaboration and roll-out preparation roadmaps</b></p> <p><b>8.2 Collaborate with UKPN 'No-one Left Behind' and Vulnerable Household programmes, starting with building dialogues with managers of these programmes</b></p> <p><b>8.3 Perform price forecasts to support funder due diligence</b></p> <p><b>8.4 Collaborate, share learning etc with other DNOs, including scope for collaboration with ENWL Net Zero Terrace project and define plan for wider roll out</b></p> <p><b>8.5 Explore scope for health services customers (scope may link to the virtual wards initiative and the Warm Homes Prescription Initiative)</b></p> <p><b>8.6 Input to Essex Local Area Energy Plan (LAEP)</b></p> <p>8.6.1 Ensure existing and planned future installs are mapped against LAEP data platforms</p> <p>8.6.2 Incorporation of SHIELD network impact into LAEP scenarios</p> <p><b>8.7 Prepare and get ECO4 Accreditation for Heat Hub (a specific accreditation for insulation and heating measures that support vulnerable consumer groups)</b></p> <p><b>8.8 Assess SHIELD deployment in multi-occupied buildings (MOBs) including liaison with Heat Risers project</b></p> <p><b>8.9 Conduct funder and other stakeholder dialogue re commercial scale up</b></p> <p><b>8.10 Assess impact of distribution network commercial scale up</b></p>	£389,475
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			<b>8.11 Scope for private P2P market and development for wider roll-out</b>	
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#### **14. USE OF LOGO**

The Funding Party and the Project Partners, External Funders and Project Supporters or subcontractors<sup>18</sup> must not use the Innovate UK/UKRI and/or Ofgem logo for purposes associated with the Project in any circumstances.

As an alternative for use of both Ofgem and UKRI logos, all external Project communications must include the following standard form of wording:

- (i) "this project is funded by network users and consumers under the Strategic Innovation Fund, an Ofgem programme managed in partnership with UKRI."

For additional guidance, refer to the communications and media guidelines for competition winners, detailed as part of your delivery pack. These guidelines are designed to help with some suggestions and encourage you to take a proactive approach to communicating about your Project.

#### **15. SHARING OF LESSONS LEARNED**

The Funding Party is required to ensure that the sharing of lessons learned and the facilitation of knowledge transfer is conducted as effectively as possible, to ensure that all parties, and therefore all consumers including future consumers, can benefit from Projects.

As contained within Chapter 3 of the SIF Governance Document, we require the Funding Party to work collaboratively to maintain the ENA Smarter Networks Portal so that all reporting and dissemination of learnings on Projects (as required by chapter 6 of the SIF Governance Document) is available via the ENA Smarter Networks Portal.

#### **16. COLLABORATION**

The Funding Party must collaborate with third-party innovators as Project Partners, as well as work closely with other parties in the energy supply chain, as set out in Chapter 3 of the SIF Governance Document.

The Funding Party must collaborate with other parties and with UKRI to organise an annual conference in a format appropriate to enabling the building of consortiums and disseminating learning widely. The conference may be a single event for gas and electricity, or more than one event, as appropriate.

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<sup>18</sup> As detailed in the Application.

## **17. AMENDMENT OR REVOCATION**

As set out in Chapter 7 of the SIF Governance Document, this SIF Project Direction may be amended or revoked under the following circumstances:

- (i) if the Funding Party considers that there has been a material change in circumstance that requires a change to the SIF Project Direction, and the Authority agrees; or
- (ii) to reflect amendments made to the Licence.

## **18. HALTING OF PROJECTS**

This SIF Project Direction is subject to the provisions contained in Chapter 7 of the SIF Governance Document relating to the halting of Projects. By extension, this SIF Project Direction is subject to any decision by the Authority to halt the Project to which this SIF Project Direction relates and to any subsequent relevant SIF Funding Direction issued by the Authority pursuant to Special Condition 9.9 of the Electricity Distribution Licence (the "Licence").

Further to the requirements in Chapter 7 of the SIF Governance Document, in the event the Authority decides to halt the Project, to which this SIF Project Direction relates, the Authority may issue a statement to the Funding Party clarifying the effect of that halting decision as regards to the status and legal force of the conditions contained in this SIF Project Direction.

### **NOW THEREFORE:**

In accordance with the SIF Governance Document issued pursuant to Special Condition 9.9 of the Electricity Distribution Licence (the "Licence"). of the Licence the Authority hereby issues this SIF Project Direction to the Funding Party in relation to the Project.

This constitutes notice of reasons for the Authority's decision pursuant to section 49A (Reasons for decisions) of the Electricity Act 1989.

Failure to comply with the conditions of this SIF Project Direction means that Ofgem may treat all or part of the SIF Approved Amount received by the Funding Party as SIF Disallowed Expenditure.

## ANNEX 1: PROJECT BUDGET

Cost Category	Total Project costs (£)
Labour	£ 1,843,428
Materials	£ 3,923,500
Subcontracting	£ 3,905,664
Travel and subsistence	£ 42,095
Other costs	£ 172,600
<b>Total</b>	<b>£ 9,887,287</b>

Project Partner	Total project costs (£)	Project contribution (£)	Total SIF Funding requested (£)	Project contribution (%)
UK POWER NETWORKS (OPERATIONS) LIMITED	£999,419	£165,000	£834,419	
CITIZENS ADVICE ESSEX LIMITED	£71,130	£7,113	£64,017	
EASTLIGHT COMMUNITY HOMES LIMITED	£37,080	£3,708	£33,372	
ELECTRICITY NORTH WEST LIMITED	£47,900	£4,790	£43,110	
ESSEX COMMUNITY ENERGY CIC	£2,722,250	£1,777,500	£944,750	
Essex County Council	£50,008	£5,001	£45,007	
POWER CIRCLE PROJECTS LTD	£468,475	£46,848	£421,627	



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THERMIFY HOLDINGS LIMITED	£4,931,300	£2,420,000	£2,511,300	
UK COMMUNITY WORKS CIC	£512,208	£51,243	£460,965	
URBANCHAIN LTD	£47,517	£4,752	£42,765	
<b>Total</b>	<b>£9,887,287</b>	<b>£4,485,955</b>	<b>£5,401,332</b>	<b>83%</b>

**ANNEX 2 TO SCHEDULE: TEMPLATE OF BANK ACCOUNT DETAILS TO BE PROVIDED TO EITHER NGGT ([BOX.GSOSETTLEMENTS@NATIONALGRID.COM](mailto:BOX.GSOSETTLEMENTS@NATIONALGRID.COM)) OR NG ESO ([revenue.invoice@nationalgrideso.com](mailto:revenue.invoice@nationalgrideso.com))**

**Company name:**

**Primary Contact Details (only one contact permitted)**

First Name:

Last Name:

Email address:

Mobile phone number:

Work phone number:

**Address details**

Address name:

Street address:

City:

State / region:

Post code:

PO box: (if applicable)

PO box post code: (if applicable)

**Banking details**

These should be evidenced in non-editable format. The evidence provided must show company name and bank details and it should be dated within the last 6 months.

Any of the below documents will suffice:

- Bank statement (scanned document)
- Void cheque
- Paying in slip
- Screenshot of online banking (showing a logged in account with bank account and sort code, with browser visible)