



Making a positive difference for energy consumers

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Date: 05 Nov 2024

Dear Cadent Gas Ltd, <u>Strategic Innovation Fund – Approval of the Material Change request for</u> CADENT GAS LTD. / DIGITAL PLATFORM FOR LEAKAGE ANANLYTICS (DPLA)

The Strategic Innovation Fund (SIF) supports network innovation that contributes to the achievement of Net Zero, while delivering net benefits to energy consumers. It facilitates collaboration with other public funders of innovation so that activities appropriately funded by network consumers are coordinated with activities funded by Government, and funding gaps are avoided. The SIF Governance Document sets out the governance and administration of the SIF.¹

On 29 June 2023, CADENT GAS LTD was awarded SIF Funding for DIGITAL PLATFORM FOR LEAKAGE ANANLYTICS (DPLA) (the Project).² The Project is developing and demonstrating a prototype for how data, analytics and models can be used to identify and locate gas leaks. Further to this decision, on 29 June 2023 Ofgem³ issued a SIF Project Direction.⁴

On 27 September 2024, CADENT GAS LTD submitted a Material Change request for the Project to the Authority. The Material Change request was submitted due to:

CADENT GAS LIMITED Pilot Way, Ansty Park, Coventry, CV7 9JU

¹ <u>https://www.ofgem.gov.uk/publications/updated-sif-governance-document</u>

² <u>https://www.ofgem.gov.uk/decision/strategic-innovation-fund-round-1-beta-projects-approved-funding</u>

³ The terms the "Authority", "Ofgem", "we" and "us" are used interchangeably in this document. The Authority refers to the Gas and Electricity Markets Authority. Ofgem is the Office of the Gas and Electricity Markets Authority.

⁴ <u>https://www.ofgem.gov.uk/decision/strategic-innovation-fund-round-1-beta-projects-approved-funding</u>



• Re-scoping of the Project, shortening the length of the Project and, the reallocation and reduction of funding across Work Packages Project Partners

The Material Change request proposed the following changes to the schedule of the SIF Project Direction issued on 29 June 2023:

- The Project End Date has been changed from 30 January 2026 to 30 June 2025
- The reduction of scope of the Work Packages in line with the Continuation Plan
- Reduce the total Project Costs for Project Partner CADENT GAS LTD. from £4,237,216 to £4,085,874
- Reduce the total SIF Requested Funding for Project Partner CADENT GAS LTD. from £3,350,216 to £3,198,874
- Reduce the total Project Costs for Project Partner GUIDEHOUSE EUROPE LTD from £7,767,038 to £5,918,636
- Reduce the total SIF Requested Funding for Project Partner GUIDEHOUSE EUROPE LTD. from £6,082,000 to £4,233,598
- Conditions 20, 21 and 22 have been added, as per the Continuation Plan

Ofgem's review

As set out in chapter 1 of the SIF Governance Document, Ofgem is the decision-maker in the SIF. Furthermore, as set out in chapter 6, Ofgem will consider Material Changes in circumstances and requests to change SIF Project Directions on a case by case, and will engage with monitoring officers on Projects to support the assessment of Material Change requests.

Ofgem has reviewed this Material Change requested submitted by CADENT GAS LTD. and has engaged with the monitoring officer on the Project. Ofgem has reviewed the reasoning for the Material Change submitted by the CADENT GAS LTD. and considers it to satisfy the Eligibility Criteria in chapter 2 of the SIF Governance because:

- That the requested change to the Project Direction should be approved as the requested change does not violate any of the Eligibility Criteria outlined in Chapter 2 of the SIF Governance Document.
- That the requested change to the Project Direction should be approved as the requested change also does not violate the eligibility outlined in the Innovation Challenge Documentation.



As such, UKRI recommended approval of the Material Change request to Ofgem.

Decision

As a result of the reasons outlined above, Ofgem approves of this Material Change request.

In accordance with Section 17 of the Project Direction issued on 29 June 2023 and paragraph 6.22 of the SIF Governance Document, the amended SIF Project Direction for CADENT GAS LTD. / DIGITAL PLATFORM FOR LEAKAGE ANALYTICS (DPLA) is published in the Schedule 1 of this letter. The amended SIF Project Direction is effective as of the date of this letter and, unless stated otherwise, supersedes the SIF Project Direction issued on 29 June 2023. The letter constitutes notice pursuant to section 49A (Reasons for decisions) of the Electricity Act 1989 and 38A (Reasons for decisions) of the Gas Act 1986.

If you would like to discuss any of the issues, you can contact Ofgem via <u>networks.innovation@ofgem.gov.uk</u>. Alternatively, you can contact UKRI via <u>SIF_Ofgem@innovateuk.ukri.org</u>.

Yours sincerely,

Marzia Zafar Deputy Director, Decentralisation & Digitalisation For and on behalf of the Authority



Schedule: Amended SIF Project Direction

1. PROJECT DETAILS

SIF Project Direction reference: Cadent/Digital_Platform_for_Leakage_Analytics/SIFDataDigitalisation/Rd1_Beta Application number: 10062698 Project title: Digital Platform for Leakage Analytics Innovation Challenge/Project Phase: Data and digitalisation / Beta Phase round 1 Project start date: 01 July 2023 Project end date: 30 June 2026 SIF Approved Amount for SIF Funding: £7,496,732

2. PREAMBLE

This SIF Project Direction is issued by the Gas and Electricity Markets Authority (the "Authority") to Cadent Gas Limited (the "Funding Party") pursuant to the SIF Governance Document issued pursuant to Special Condition 9.13 of the Gas Transporter Licence (the "Licence"). It sets out the conditions to be complied with in relation to Digital Platform for Leakage Analytics (the "Project") as a condition of it being funded under the SIF Funding Mechanism.⁵

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

⁵ The SIF Funding Return Mechanism is defined in the SIF Governance Document.



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.

Table 1. Project Partners

GUIDEHOUSE EUROPE LIMITED SOUTHERN GAS NETWORKS PLC WALES & WEST UTILITIES LIMITED NORTHERN GAS NETWORKS LIMITED NATIONAL GAS TRANSMISSION PLC

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 and after 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 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 – Dissemination of annual progress report(s)

Each of the annual progress reports that the Funding Party publishes in the Beta Phase must, at a minimum, be uploaded to the ENA's Smarter Networks Portal. We also strongly encourage wider dissemination of the annual progress report(s) and support from all Project Partners in ensuring it reaches a wide audience.

Condition 6 – 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 7 – 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 8 – 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 9 – Updated 60-second videos

The Funding Party must provide within the first three months of the Project beginning (i.e. by 1 October 2023) 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 10 – Consumer engagement

The Funding Party must provide an update on consumer engagement plans at every second monitoring meeting (i.e. every six months). This must include an update on any activities which involve engagement and interaction with energy consumers, and any impact the Project may have on existing or future energy consumers and their premises.



Condition 11 – Post-Beta Phase roadmap

The Funding Party must provide to the monitoring officer within six months of the Project beginning (i.e. by 1 January 2024) 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 12 – 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 13 - Data Best Practice and Digital Strategy and Action Plan Guidance alignment

The Funding Party must provide to the monitoring officer prior to it formally beginning any work on the Project 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 14

Prior to the Funding Party beginning any formal works on the Project, it must provide to the monitoring officer a breakdown of how the Project can be delivered in low, medium and high-cost pathway, recognising that the 'high cost' pathway is the one set out in by the Project in its Application. Alongside this, the Funding Party must provide a summary of its spend control and governance approach for the Project, including what decision points or criteria will determine which of these cost pathways is suitable and justifiable. The Funding Party must provide an update on the Project's alignment with the cost pathways at each stage gate (set out in the Project plan as Stage Gate 1 and Stage Gate 2) and as an attachment to each of its annual progress reports.

Condition 15

As part of stage gate 1 (set out as Stage Gate 1 in the Project plan), the Project must demonstrate that all data outlined in Slide 7 in the interview presentation pack has been triaged as described. As part of this, the Funding Party must also provide evidence of dissemination and publication of the data modelling used for gas leakage analytics developed in this Project to ensure there are opportunities for other GB gas networks to adopt this technology. Additionally, as part of this, the Funding Party must provide sufficiently strong justification and evidence for any data or modelling methods which have not been published.

Condition 16

The Funding Party must include as an attachment to each of its annual progress reports an update on its ongoing governance of the Project describing the approach for how data, analytics and models can be used to identify and locate leaks and how this approach can be replicated by other GB gas networks. As part of this, the Project must



also include updates on its engagement with other GB gas networks not included as stakeholders in the Project to ensure the ontology that the Project produces is adoptable. The Funding Party must provide as an attachment to its end of phase report a final whitepaper describing how the Project's data, analytics and models can be used by other GB gas networks.

Condition 17

The Funding Party must present at the second monitoring meeting an engagement plan describing how it will update and engage with Ofgem subject matter experts on specific shrinkage and leakage regulation that the Project's proposed solution could replace or influence, including the requisite timelines for doing so to ensure regulation does not inhibit the progress and implementation of this project in to business as usual.

Condition 18

As part of stage gate 2 (set out as Stage Gate 2 in the Project plan), the Funding Party must provide an updated gap analysis or detailed benefits analysis outlining the progress of the Project against the counterfactual of the Shrinkage and Leakage Model.

Condition 19

The Funding Party must establish a working group with the team behind the other SIF Beta Phase Project 'Intelligent Gas Grid' to identify areas of potential overlap or duplication, periodic updates, and opportunities for collaborative working. Innovate UK can facilitate an introduction if necessary.

Condition 20

The Funding Party must create an evaluation process for how the Project Management and Project Delivery is performing is held at the following Quarterly Review meeting after the Project's restart which is effective from the 16th September. At this meeting, the Funding Party must demonstrate that the internal workings of the project are proceeding well to Ofgem and Innovate UK. This must include assurances about how contractual and Intellectual Property arrangements have been completed with Guidehouse Europe Ltd., and clearly defined roles, responsibilities, and expectations for all responsible parties.

Condition 21



The Funding Party must develop a Stakeholder and Roll-out plan for June 2025 roll-out, a draft of which will be reviewed at the 'Project Restart Review' meeting. This must include how the Funding Party will work with other GDNs to ensure the solution design is informed by requirements across all GDNs and planned for efficient rollout across all networks during RIIO-3.

Condition 22

A Performance Stage Gate will be held during February 2025. This timing is to ensure effective GDN buy-in as they will have submitted the DPLA return in their RIIO-3 final Business plans during December. A progress update of the Stakeholder and roll-out plan is expected to be reviewed at this Stage Gate, too. This must include quantitative and qualitative details on project progress.

4. COMPLIANCE

The Funding Party must comply with Special Condition 9.13 of the Gas Transporter Licence (the "Licence"), the SIF Governance Document and with this SIF Project Direction.

5. SIF APPROVED AMOUNT

The SIF Approved amount of £7,496,732 (as detailed under Section 1: Project details of this Project Direction) will be recovered by National Gas Transmission from GB customers and transferred to the Funding Party. The Funding Party is responsible for notifying National Gas Transmission 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 Gas Transmission, the reverse applies. The Funding Party must provide bank account details to National Gas Transmission 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)⁶ and <u>DPA (Data Protection Act) 2018</u>⁷. 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.

⁶ <u>https://ec.europa.eu/info/law/law-topic/data-protection/data-protection-eu_en</u>

⁷ 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 milestone⁸

Reference	Project milestone	Deadline	Overall objectives and key tasks	SIF Requested Funding
	Payment 1	1st October	Supported the creation and evolution of	£500,000.00
		2024	the DPLA Continuation and Wind Down	
			plans;	
			Optioneering and development of low	
Milestone 1			cost DPLA models;	
			Modelling, demos, documentation and	
			knowledge transfer in relation to D1	
			Stage Gate;	
			Updated DPLA CBA	
Milestone 2	Payment 2	1st January	Modelling, demos, documentation and	£500,000.00
		2025	knowledge transfer in relation to D2	
			Stage Gate;	
			Modelling, demos, documentation and	
			knowledge transfer in relation to D3	
			Stage Gate;	

⁸ As outlined in in the Application or Project Plan appendix.



			Demos, documentation and knowledge	
			transfer in relation to D4 Stage Gate;	
			Updated DPLA CBA	
	Payment 3	1st April	Delivery of performance stage gate (to	£500,000.00
		2025	be held during February 2025);	
Milestone 3			Completion of in-field detection	
			technology trials;	
			Updated DPLA CBA	
	Payment 4	1st July	Determination of BaU in-field detection	£401,598.00
Milesters 4		2025	technology blend;	
Milestone 4			Delivery of DPLA MVP with final models;	
			Updated DPLA CBA	
	Payment 5 -	1st July	Completion of Low Cost DPLA (DPLA 2.0)	£13,770.00
Milestone 5	Northern Gas	2025		
	Networks Ltd			
	Payment 6 -	1st July	Completion of Low Cost DPLA (DPLA 2.0)	£10,872.00
Milestone 6	Wales & West	2025		
	Utilities			



	Payment 7 -	1st July	Completion of Low Cost DPLA (DPLA 2.0)	£8,226.00
Milestone 7	National Gas	2025		
	Transmission PLC			
	Payment 8 -	1st July	Completion of Low Cost DPLA (DPLA 2.0)	£5,668.00
Milestone 8	Southern Gas	2025		
	Networks PLC			



14.USE OF LOGO

The Funding Party and the Project Partners, External Funders and Project Supporters or subcontractors⁹ 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

⁹ As detailed in the Application.



disseminating learning widely. The conference may be a single event for gas and electricity, or more than one event, as appropriate.

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 9.13 of the Gas Transporter 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 9.13 of the Gas Transporter 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 38A (Reasons for decisions) of the Gas Act 1986.



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

SIF Project Direction costs				
Cost Category	Total Project costs (£)	Total SIF Funding requested (£)		
Labour	£2,457,490	£2,457,490		
Materials	£352,338	£352,338		
Subcontracting	£0	£0		
Travel and subsistence	£15,623	£15,623		
Other costs	£373,423	£373,423		
Total	£3,198,874	£3,198,874		

Project Partner	Total project costs (£)	Project contribution (£)	Total SIF Funding requested (£)
CADENT GAS LIMITED	£4,085,874	£887,000	£3,198,874
GUIDEHOUSE EUROPE LIMITED	£5,918,636	£1,685,038	£4,233,598
SOUTHERN GAS NETWORKS PLC	£9,480	0	£9,480
WALES & WEST UTILITIES LIMITED	£18,120	0	£18,120
NORTHERN GAS NETWORKS LIMITED	£22,950	0	£22,950
NATIONAL GAS TRANSMISSION PLC	£13,710	0	£13,710
TOTAL	£10,068,770	£2,572,038	£7,496,732

ANNEX 2 TO SCHEDULE: TEMPLATE OF BANK ACCOUNT DETAILS TO BE PROVIDED TO EITHER NGGT (<u>BOX.GSOSETTLEMENTS@NATIONALGRID.COM</u>) OR NG ESO (<u>revenue.invoice@nationalgrideso.com</u>)

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)