

Scottish Southern Electricity Networks
Transmission Plc (SSEN-T)
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Date: 03 June 2025

Dear Scottish Southern Electricity Networks Transmission Plc,

**Strategic Innovation Fund – Approval of the Material Change request for SSENT.
/ Network DC**

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, SSEN Transmission was awarded SIF Funding for DNetwork DC (the Project).² The Project is develop DC Circuit Breakers to allow further off-shore wind farms to connect into the Transmission Network. Further to this decision, on 29 June 2023 Ofgem³ issued a SIF Project Direction.⁴

On 20 May 2025, SEN Transmission submitted a Material Change request for the Project to the Authority. The Material Change request was submitted due to:

- Extending the length of the Project and, the reallocation of funding across Cost Categories

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

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

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

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 24 September 2026 to 30 September 2027
- Change of Project Partner name from National Grid Electricity System Operator to National Energy System Operator
- Increase the labour costs from £1,562,268 to £1,606,490
- Reduce the materials cost from £974,411 to £962,693
- Reduce the subcontracting costs from £2,815,526 to £2,302,733
- Increase the travel and subsistence costs from £21,250 to £50,376
- Increase the other costs from £723,671 to £1,171,835

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 SSEN Transmission and has engaged with the monitoring officer on the Project. Ofgem has reviewed the reasoning for the Material Change submitted by the SSEN TRANSMISSION 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 SSEN Transmission / Network DC 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 networks.innovation@ofgem.gov.uk. Alternatively, you can contact UKRI via SIF_Ofgem@innovateuk.ukri.org.

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: SHE/Network_DC/SIFWholeSystem/Rd1_Beta

Application number: 10067854

Project title: Network-DC

Innovation Challenge/Project Phase: Whole system integration / Beta Phase round 1

Project start date: 01 July 2023

Project end date: 30 September 2027

SIF Approved Amount for SIF Funding: £5,486,794.00

2. PREAMBLE

This SIF Project Direction is issued by the Gas and Electricity Markets Authority (the "Authority") to Scottish Southern Electricity Networks Transmission Plc (the "Funding Party") pursuant to the SIF Governance Document issued pursuant to Special Condition 9.19 of the Electricity Transmission Licence (the "Licence"). It sets out the conditions to be complied with in relation to Network-DC (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

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.

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

Table 1. Project Partners

UNIVERSITY OF EDINBURGH
CARBON TRUST ADVISORY LIMITED
NATIONAL ENERGY SYSTEM OPERATOR
SUPERGRID INSTITUTE

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 – 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 11 – 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 12

As part of the Project's stage gate 1, the Funding Party must submit to the Project's monitoring officer its plan to improve the competition between original equipment manufacturers (OEMs) in the Project to ensure the Project is maximising its potential value for money and that it does not undermine the development of competitive markets. In addition, the successful OEM(s) must provide a statement of either their intent to participate in a physical demonstration/deployment after the SIF Project completion and should the SIF Project successfully conclude the Beta Phase, or reasoned justification as to why they will not participate in a physical demonstration/deployment following the SIF Project completion and should the SIF Project successfully conclude the

Beta Phase. A statement must be in place by stage gate 1 for the Project to progress beyond this point.

Condition 13

The Funding Party must provide to its monitoring officer ahead of or as part of stage gate 1 an outline of how its Project governance will ensure the Project will react appropriately in the event of change of assumptions (e.g. policy or regulatory changes) which may impact the Project's overall proposed value or proposed solution. This could include, for example, additional opportunities for stage gates or reviews.

Condition 14

During the Project, the Funding Party must include greater consideration as to how the Project's proposed solution would feed into and influence global HVDC and DCCB standards. The Project must also provide an update on these efforts at each stage gate and must include as part of or as an attachment to its end of Phase report, including if the Project concludes or ends early, a summary report of these efforts and the outcomes.

Condition 15

At each stage gate, the Funding Party must include considerations of the policy and regulatory risks to the Project and its proposed solution, and opportunities for it. We expect this activity to be an ongoing and iterative activity where an update is provided at each stage but the Project maintains this work as part of its activities.

Condition 16

The Funding Party must provide as an attachment to each of its Beta Phase annual progress reports a summary of policy and regulator developments since the Project's inception, including updates from the involvement of Ofgem and DESNZ (formally BEIS) in the Project.

Condition 17

The Funding Party must provide as an attachment to its year one annual progress report a summary of its plans to influence wider industry and EU standards on DC circuit breakers and how it plans to incorporate any current or pre-existing work done in the wider industry, including in the EU, on DC circuit breaker standards. In particular, the report must demonstrate consideration for how the Project's learnings and findings will look to also be applicable in the EU. The summary must also be published on the ENA's Smarter Networks Portal to support dissemination of the Project's findings.

Condition 18

Prior to formally beginning any work on the Project, the Funding Party must provide a report summarizing how the IPR arrangements which the Project may generate will be handled should the HVDC centre change ownership as part of the next price control. As part of this, the report must include an outline of any risks to the IPR generated from the Project and a proposed contingency plan for any of the risks.

4. COMPLIANCE

The Funding Party must comply with Special Condition 9.19 of the Electricity Transmission Licence (the "Licence"), the SIF Governance Document and with this SIF Project Direction.

5. SIF APPROVED AMOUNT

The SIF Approved amount of £5,486,794.00 (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)⁶ and DPA (Data Protection Act) 2018⁷. 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.

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

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

⁷ <https://www.legislation.gov.uk/ukpga/2018/12/contents/enacted>

Table 3. Project milestone⁸

Reference	Project milestone	Deadline	Overall objectives and key tasks	Summary of Milestones and Success Criteria	SIF Funding Request (100%)
Milestone 1	Work package 1: Appoint OEMs	30 September 2027	<p>M1: Finalise evaluation criteria and issue tender: Tender documents issued. (£97,138.00)</p> <p>M2: Tender return period: Returned. (£23,299.00)</p> <p>M3: Evaluate responses: Responses evaluated and scored. (£17,196.00)</p> <p>M4: Appoint OEM(s): OEM(s) have been appointed. (£0.00)</p>	£137,634 / 3%	£100,757.00 (2%)
Milestone 2	Work package 2: Design of a scheme-wide control & protection philosophy	30 September 2027	<p>M1: Establish confidentiality arrangements with OEMs and National Grid ESO: Confidentially agreements signed. (£6,820.00)</p> <p>M2: Develop the design of a scheme-wide control philosophy, protection philosophy and arrangement of DCCBs: Summary report setting out the scheme. (£440,749.00)</p> <p>M3: Support the design of a scheme-wide control</p>	£865,676/ 16%	£640,232.00 (12%)

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

			philosophy, protection philosophy and arrangement of DCCBs: OEM's confirm understanding of arrangements. (£399,074.00) M4: Summary report: Summary report issued. (£19,033.00)		
Milestone 3	Work package 3: Design of DCCBs	30 September 2027	M1: OEMs design or re-design their DCCB design to meet the Minimum Functional Specification: DCCB designs received. (£131,697.00) M2: OEMs provide design principles, Failure Mode & Effects Analysis report: Report from OEM's received. (£131,697.00) M3: Review design principles & FMEA report for suitability against Good Industry Practice: Design principles and FMEA sufficient to be reliable. (£46,538.00) M4: OEMs propose how to provision a Hardware-in-the-Loop or Software-in-the-Loop replica: Proposal received and reviewed. (£131,697.00) M5: Review of proposals for HIL or SIL replicas: Proposals are reviewed and agreed so that project can progress. (£120,004.00) M6: FPGA DCCB Models: Models developed. (£50,684.00) M7: Validation of Real-Time test bed for evaluation of OEM DCCB performance.: Validation complete. (£50,684.00)	£918,609 / 17%	£809,269.00 (15%)

			M8: Reliability models associated with opensource models of DCCBs and based on FMEA provided by OEMs delivery end of project: Replica supplied and ready for testing (£255,607.00)		
Milestone 4	Work package 4: Use OEM's proprietary equivalent models to validate the DCCB parameters	30 September 2027	<p>M1: OEMs provide sufficient software model of their revised DCCB design: Model supplied and functioning. (£297,006.00)</p> <p>M2: Carry out desk-based software simulations of the scheme-wide control & protection scheme: Completion of desk based simulations. (£67,661.00)</p> <p>M3: Develop open source models of DCCBs: Open source models created and made available. (£94,285.00)</p> <p>M4: Summary report: Stage Gate 2: Desktop simulations re-confirm the Minimum Functional Specification (£122,950.00)</p>	£581,903 / 11%	£745,349.00 (14%)
Milestone 5	Work package 5: Establish a replica	30 September 2027	<p>M1: OEMs specify the signals required: Specification received and documented. (£5,032.00)</p> <p>M2: Program the Supplier's C&P hardware/software and carry out Factory System Tests (FSTs): Factory tests completed (£17,103.00)</p> <p>M3: Provision the test environment at the National HVDC Centre: Test environment set up and ready for simulation</p>	£1,459,134 / 27%	£1,938,687.00 (35%)

			(£808,476.00) M4: Supply, install, and configure the Supplier's replica at the National HVDC Centre: Replica installed at the HVDC Centre (£628,523.00)		
Milestone 6	Work package 6: Use the replica to demonstrate performance in the GB network	30 September 2027	M1: Simulate scheme-wide C&P scheme using the HIL or SIL replica: Simulation complete and results documented. (£168,321.00) M2: Support simulations to demonstrate the performance of the Supplier's replica: Performance of supplier documented. (£171,881.00) M3: Assess variance from desktop model results: Review and analyse desktop results and results documented. (£22,235.00) M4: Conduct hardware testing of the design (at the Supplier's discretion as an optional extension): Optional for supplier to test design. (£128,209.00) M5: System level evaluation of advanced functionality DCCBs. : Evaluation complete (£220,886.00)	£711,532 / 13%	£401,214.00 (7%)
Milestone 7	Work package 7: Regulatory barriers and	30 September 2027	M1: Develop a more detailed cost-benefit framework including capacity factor of connecting wind farms and load factor of DCSS: Detailed cost benefit model reviewed and	£557,585 / 11%	£537,718.00 (10%)

	Cost Benefit Analysis		<p>finalised. (£269,247.00)</p> <p>M2: Develop and share a non-binding cost estimate for supply of the DCCB: OEMs have shared costs and populated costs template. (£91,922.00)</p> <p>M3: Update cost-benefit analysis report: Revised cost benefit report and OGA template completed. (£93,220.00)</p> <p>M4: Develop and consult on an method to address the highest priority recommendations relating to regulatory and commercial barriers: Recommendation for regulatory reforms. (£123,196.00)</p>		
Milestone 8	Work package 8: Innovation roll-out and scale-up	30 September 2027	<p>M1: Quarterly Key Issues Review: Identified key issues are tracked, and there is evidence of progress in addressing them over time. (£19,816.00)</p> <p>M2: Supply Chain Assessment: Updated supply chain report. (£27,012.00)</p> <p>M3: Engineering policy: Agreed approach for a sufficient representation of a DCCB in FEED and detailed design: Detailed design of DCCB document delivered. (£2,670.00)</p> <p>M4: Models curated in an independent environment (HVDC Centre) for benefit of all TNOs and NG ESO: Models curated and made available for use by others. (£61,631.00)</p> <p>M5: Engineering policy: Recommended network</p>	£234,721 / 4%	£313,568.00

			<p>configurations for use of DCCBs, accounting for cost and reliability: Recommendations report delivered. (£33,314.00)</p> <p>M6: Connections policy: Reliability estimates, cost information, cost allocation and failure mode information available for all stakeholders: Connections policy developed and documented. (£26,861.00)</p> <p>M7: Agree needs case and implement timetable for changes to NETS, SQSS, Grid Code or SO TO Code to facilitate utilisation: SQSS study group formed. (£19,140.00)</p> <p>M8: Knowledge dissemination workshop: Workshop held with key stakeholders. (£44,276.00)</p>		
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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 9.19 of the Electricity Transmission 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 9.19 of the Electricity Transmission 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

SIF Project Direction costs		
Cost Category	Total Project costs (£)	Total SIF Funding requested (£)
Labour	£1,609,490	£151,187
Materials	£962,693	£98,792
Subcontracting	£2,302,733	£236,595
Travel and subsistence	£50,376	£5,060
Other costs	£1,171,835	£118,698
Total	£6,097,127	£5,486,794

Project Partner	Total project costs (£)	Project contribution (£)	Total SIF Funding requested (£)	In-kind contribution (£)	Project contribution (%)
SCOTTISH HYDRO ELECTRIC TRANSMISSION PLC	£4,408,954.00	£453,000.00	£3,955,954.00	£0	
UNIVERSITY OF EDINBURGH	£1,241,391.00	£124,104.00	£1,117,287.00	£0	
CARBON TRUST ADVISORY LIMITED	£114,492.00	£0	£114,492.00	£0	
NATIONAL ENERGY SYSTEM OPERATOR	£103,330.00	£10,333.00	£92,997.00	£0	
SUPERGRID INSTITUTE	£228,960.00	£22,896.00	£206,064.00	£0	
TOTAL	£6,097,127.00	£610,333.00	£5,486,794.00	£0	11%

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