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Date: 1st February 2026

Dear UK POWER NETWORKS (OPERATIONS) LIMITED,

UK POWER NETWORKS (OPERATIONS) LIMITED submitted SNUG: Smarter Network Upgrades (the Project) to be considered for funding through the Beta Phase of Round 3 of the Strategic Innovation Fund (SIF). As explained in greater detail below, this Project previously received SIF Funding and completed a Round 3 Discovery and Alpha Phase for of the SIF. In our SIF Funding Decision issued on 1st February 2026, we selected the Project for conditional funding for the Round 3 Beta Phase and as a result we are now issuing this SIF Project Direction to implement that decision.

UK POWER NETWORKS (OPERATIONS) LIMITED 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. The Innovation Challenge issued for each Round will state if a Project can apply directly to Alpha or Beta, without the requirement to have progressed through Discovery and Alpha.

The Project previously received SIF Funding for the Round 3 Discovery and Alpha Phase and submitted an Application for the Project to be considered for SIF Funding for the Round 3 Beta Phase of the SIF. As stated above, the Project has been selected by Ofgem to receive SIF Funding for the Round 3 Beta Phase.

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

As per Chapter 1 of the [SIF Governance Document](#) 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.
- 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 Application.
- Where applicable, set out conditions (such as Project stage gates) linked to milestones and deliverables, which Projects must meet.
- 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.
- Set out the Project budget that the Funding Party must report against and how variations in the Project budget will be reported.
- Where applicable, set out special information sharing requirements applicable to the Project.
- Set out the mechanism for the Funding Party receiving the SIF Approved Amount as set out in the SIF Funding Direction.

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.

This SIF Project Direction constitutes notice pursuant to section 49A (Reasons for decisions) of the Electricity Act 1993.

**Marzia Zafar**

**Deputy Director, Decentralisation & Digitalisation**

**SRO for the Strategic Innovation Fund**

**For and on behalf of the Authority**

## Schedule to SIF Project Direction

### 1. PROJECT DETAILS

Application number: 10179014

Project title: SNUG: Smarter Network UpGrades

Innovation Challenge/Project Phase: Novel technical, process and market approaches to deliver an equitable and secure net zero power system/ Round 3 Beta Phase

Project start date: 2nd February 2026

Project end date: 1st August 2028

SIF Approved Amount for SIF Funding: £4,435,203

### 2. PREAMBLE

This SIF Project Direction is issued by the Gas and Electricity Markets Authority (the "Authority") to UK POWER NETWORKS (OPERATIONS) LIMITED (the "Funding Party") pursuant to the SIF Governance Document issued pursuant to Special Condition 9.9 of the Electricity Distribution Licence. It sets out the conditions to be complied with in relation to SNUG: Smarter Network UpGrades (the "Project") as a condition of it being funded under the SIF Funding Mechanism.

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.

**Table 1. Project Partners**

University of Strathclyde
NORTHERN POWERGRID (NORTHEAST) LIMITED

CENTRE FOR SUSTAINABLE ENERGY SIA PARTNERS UK PLC
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### ***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 on the Innovation Funding Service (IFS).

### ***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 Department for Energy Security and Net Zero during the Beta Phase.

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

The Funding Party must, with support from Innovate UK 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 Innovate UK.

### ***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 review 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 (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 with 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 the network concerned 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 second quarterly review meeting (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 review meeting (i.e. every six months) an update on its commercialisation strategy. This can build on the Project's Application (question 11) and must focus on what considerations has the Project consortium made for the commercialisation of the proposed solution or innovation, and how the Project provides support for non-network Project 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 commercialise 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**

For the first Ofgem Stage Gate review, the criteria must include confirmation of Elexon's position on adoption of the proposed product or market proposition. This Ofgem Stage Gate must align with an internal Project decision point on whether to continue delivery. Where Elexon does not indicate a credible pathway to adoption, the Project must not progress beyond the Ofgem Stage Gate without the agreement of the Monitoring Officer.

### **Condition 12**

Prior to the end of Phase meeting, the Funding Party must provide to the Monitoring Officer a commercialisation strategy demonstrating that the Project has considered a range of low-carbon technologies beyond heat pumps. This must include evidence of engagement with alternative technology options, an assessment of how different technologies could participate in the proposed commercial framework, and an explanation of how the relative value and impacts of incorporating these technologies have been considered.

#### **4. COMPLIANCE**

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

#### **5. SIF APPROVED AMOUNT**

The SIF Approved amount of £4,435,203 (as detailed under Section 1: Project details of this Project Direction) will be recovered by National Energy System Operator from GB customers and transferred to the Funding Party. The Funding Party is responsible for notifying National Energy 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 Energy System Operator, the reverse applies. The Funding Party must provide bank account details to National Energy 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) complete the Project on or before the Project completion date as detailed under Section 1 of the Schedule of this SIF Project Direction, and
- (ii) 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. An End of Phase template is available and can be requested from UKRI.

## **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 regard 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 \(General Data Protection Regulation\)](#) and [DPA \(Data Protection Act\) 2018](#). 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 provide an outline in its end of Project Phase meeting with its UKRI monitoring officer that verifies the Project milestones have been achieved or explains why they have not.

Project milestones are outlined below in Table 2, based upon details contained within Question 7 in the Funding Party's Application.

**Table 2. Project milestone**

Reference	Project milestone	Deadline	Overall objectives and key tasks	SIF Funding Request
<b>WP1</b>	Project Management	31/08/2028	<p><b>Describe overall Work Package Objectives</b></p> <p>- To ensure project is delivered on time, to budget and to SIF requirements. Coordination between partners and leading project dissemination</p> <p><b>Describe the high level tasks to achieve the work package objectives.</b></p> <p>T1.1 Project Management</p> <p>1.1.1 Mobilise partners and ensure contracts are signed</p> <p>1.2.1 Plan (identify and agree key milestones under each workstream, risks, dependencies and review process, contract set-up and onboarding)</p> <p>1.2.1 Monitor progress and learning and report interim progress to UKRI (initial meetings, quarterly presentations, 6 monthly SIF community forums, annual reports and mid project catch-up).</p> <p>1.2.2 Prepare the project mid-point summary video (to be included for the mid-point review)</p> <p>1.3.1 Prepare Stage Gate 1 materials</p> <p>1.4.1 Monitor progress and learning, and report interim progress to UKRI (quarterly presentations, 6 monthly SIF community forum, annual reports)</p>	£549,176.00

Reference	Project milestone	Deadline	Overall objectives and key tasks	SIF Funding Request
			<p>1.4.2 Produce end of phase reporting (including the final project summary video and all dissemination materials)</p> <p>1.4.3 Produce dissemination reporting and present at Show and Tell</p>	
<b>WP2</b>	Social Landlord Support, Tenant Onboarding and Wider Engagement	31/08/2028	<p><b>Describe overall Work Package Objectives</b></p> <ul style="list-style-type: none"> <li>- Refine Social Landlord eligibility and ensure ethical trial design.</li> <li>- Lead engagement with social landlords and tenants.</li> <li>- Develop the tenant onboarding process and tenant satisfaction survey.</li> <li>- Co-design and evaluate effectiveness of advice materials for landlords to deliver education on energy efficiency with the aim of ensuring comfort in the home and agency over energy use.</li> <li>- Co-develop participation toolkit for social landlords, including tenant engagement resources, with support from Hammersmith &amp; Fulham and Norwich</li> </ul> <p><b>Describe the high level tasks to achieve the work package objectives.</b></p> <p>T2.1 Develop tenant engagement strategy, inc. trial metrics and KPIs</p> <p>T2.2 Phase 1 Trial 1 Tenant Recruitment and Engagement</p> <p>T2.3 Phase 1 Trial 1 Social Landlords Engagement</p> <p>T2.4 Develop toolkit for Social Landlords to support their tenant engagement for retrofits</p>	£593,235.00

Reference	Project milestone	Deadline	Overall objectives and key tasks	SIF Funding Request
			<p>T2.5 Phase 1 Trial 1: Analysis and write-up of findings</p> <p>T2.6 Phase 1 Trial 2: Tenant Recruitment and Engagement</p> <p>T2.7 Phase 1 Trial 2: Social Landlords Engagement</p> <p>T2.8 Phase 1 Trial 2: Analysis and write-up of findings</p> <p>T2.9 Phase 2: Engagement Preparation</p> <p>T2.10 Phase 2: Tenant Engagement</p> <p>T2.11 Phase 2: Social Landlord Engagement</p> <p>T2.12 Phase 2: Analysis and write-up of findings</p> <p>T2.13 Finalise toolkit based on trial findings</p>	
<b>WP3</b>	Commercialisation and Scalability	31/08/2028	<p><b>Describe overall Work Package Objectives:</b></p> <ul style="list-style-type: none"> <li>- Refine commercial frameworks, validate flexibility value for DNOs and Social Landlords, and develop scalable, standardised contractual structures.</li> <li>- Test tenant incentives and design transferability to other LCTs (e.g. heat pumps) and customer groups.</li> </ul> <p><b>Describe the high level tasks to achieve the work package objectives.</b></p> <p>T3.1 Establish peak reduction payment structure and draft commercial framework</p> <p>T3.2 Phase 1 Trial 1: Set up of governance procedures and success metrics</p> <p>T3.3 Phase 1 Trial 1: Industry Engagement and Alignment</p>	£865,169.00

Reference	Project milestone	Deadline	Overall objectives and key tasks	SIF Funding Request
			<p>T3.4 Phase 1 Trial 1: Engagement and findings, update commercial framework and cost benefit analysis</p> <p>T3.5 Phase 1: Trial 2: Industry Engagement and Alignment</p> <p>T3.6 Phase 1 Trial 2: Engagement and findings, update commercial framework and cost benefit analysis</p> <p>T3.7 Scalability to wider technologies and wider consumer types, including cost benefit analysis and industry alignment</p> <p>T3.8 Phase 2: Set up of governance procedures and establish Phase 2 success metrics</p> <p>T3.9 Phase 2: Industry Engagement and Alignment</p> <p>Industry Engagement and Alignment</p> <p>T3.10 Phase 2: Engagement findings, update commercial framework and cost benefit analysis</p> <p>T3.11 Final update of cost benefit analysis, contractual arrangements and delivery governance processes</p>	
<b>WP4</b>	BAU Integration	31/08/2028	<p><b>Describe overall Work Package Objectives</b></p> <ul style="list-style-type: none"> <li>- Define integration steps for BAU adoption of energy efficiency flexibility by aligning retrofit data workflows with DSO needs, creating standardised submission templates, and producing user guidance to support the end-to-end journey.</li> <li>- Develop flexibility calculator to support Social Landlords on understanding their potential business case for participation and ease procurement processes</li> <li>- Enhance existing flexibility platform so energy efficiency measures</li> </ul>	£813,689.00

Reference	Project milestone	Deadline	Overall objectives and key tasks	SIF Funding Request
			<p>can be managed as flexibility assets.</p> <p><b>Describe the high level tasks to achieve the work package objectives.</b></p> <p>T4.1 Define and establish data flow process for energy efficiency retrofits</p> <p>T4.2 Develop flexibility calculator based on baselining methodology</p> <p>T4.3 Adjust flexibility procurement processes to ease processes for energy efficiency</p> <p>T4.4 Industry Engagement and Alignment</p> <p>T4.5 Establish and define data flow process for wider LCTs for Social Landlords</p> <p>T4.6 Following Phase 1 Trial 1, adjust flexibility procurement processes to ease processes for energy efficiency and Social Landlords</p> <p>T4.7 Following Phase 1 Trial 2 feedback, adjust flexibility calculator</p> <p>T4.8 Following Phase 1 feedback, adjust flexibility procurement process</p> <p>T4.9 Following Phase 2 feedback, adjust flexibility calculator</p> <p>T4.10 Final changes to implement for BAU</p>	
<b>WP5</b>	Alternative approach to baselining	31/08/2028	<p><b>Describe overall Work Package Objectives</b></p> <ul style="list-style-type: none"> <li>- Build and test baselining models using trial data and archetype modelling.</li> <li>- Compare outcomes with existing methods to strengthen confidence</li> </ul>	£474,579.00

Reference	Project milestone	Deadline	Overall objectives and key tasks	SIF Funding Request
			<p>in retrofit flexibility</p> <p><b>Describe the high level tasks to achieve the work package objectives.</b></p> <p>T5.1 Incorporate latest learning and update Alpha baselining methodology</p> <p>T5.2 Define requirements for trial assessment and define baselining methodologies for Phase 1 Trial 1</p> <p>T5.3 Phase 1 Trial 1: Monitoring data management</p> <p>T5.4 Update baselining methodology for Phase 1 Trial 2</p> <p>T5.5 Phase 1 Trial 2: Monitoring data management</p> <p>T5.6 Comprehensive analysis of monitoring data and revise baselining methodology, produce set of outcomes for BAU suitability</p> <p>T5.7 Phase 2 Trial 1: Monitoring data management</p> <p>T5.8 Final write-up of report and analysis, and methodology is ready for use</p>	
<b>WP6</b>	Trial Coordination and Delivery	31/08/2028	<p><b>Describe overall Work Package Objectives</b></p> <p>- Deliver and coordinate trials across two Phases (upto 300 homes of energy efficiency measures in Phase 1, and up to 50 homes of LCT installation in Phase 2), ensuring effective monitoring, data collection, and tenant engagement while safeguarding consumers.</p> <p><b>Describe the high level tasks to achieve the work package</b></p>	£1,139,355.00

Reference	Project milestone	Deadline	Overall objectives and key tasks	SIF Funding Request
			<b>objectives.</b> T6.1 Phase 1: Procurement of monitoring devices T6.2 Recruitment of Phase 1 trial participants T6.3 Phase 1 Trial 1: Trial Design T6.4 Phase 1: Installation of monitoring equipment and tenant support T6.5 Phase 1 Trial 1: Trial Coordination T6.6 Phase 1 Trial 2: Trial Design T6.7 Phase 1 Trial 2: Installation of monitoring equipment and tenant support T6.8 Phase 1 Trial 2: Trial Coordination T6.9 Removal of monitoring devices T6.10 Phase 2: Procurement of monitoring devices T6.11 Recruitment of Phase 2 Trial participants T6.12 Phase 2: Installation of monitoring equipment and tenant support T6.13 Phase 2: Trial Coordination T6.14 Phase 2: Removal of monitoring equipment and close down	

#### **14. USE OF LOGO**

The Funding Party and the Project Partners, External Funders and Project Supporters or subcontractors 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 outlined in Chapters 3 and 6 of the SIF Governance Document, we require the Funding Party to work collaboratively with other Networks and third-party innovators to disseminate the learnings and data from Projects and ensure that these are publicly available. This includes taking part in annual events.

#### **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.

#### **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.

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 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 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 1993.

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 (£)
Labour	£3,651,887
Materials	£442,450
Subcontracting	£768,067
Travel and subsistence	£65,600
Other costs	£ -
<b>Total</b>	<b>£4,928,004</b>

Project Partner	Total Project costs (£)	Project contribution (£)	Total SIF Funding requested (£)	Project contribution (%)
UK POWER NETWORKS (OPERATIONS) LIMITED	2,429,337	281,063	2,148,274	
University of Strathclyde	573,712	57,371	516,341	
NORTHERN POWERGRID (NORTHEAST) LIMITED	11,250	1,125	10,125	
CENTRE FOR SUSTAINABLE ENERGY	614,985	23,370	591,615	
SIA PARTNERS UK PLC	1,298,720	129,872	1,168,848	
<b>Total</b>	<b>£4,928,004</b>	<b>£492,801</b>	<b>£4,435,203</b>	<b>11%</b>

**ANNEX 2 TO SCHEDULE: TEMPLATE OF BANK ACCOUNT DETAILS TO BE PROVIDED  
TO EITHER NGT ([BOX.GSOSETTLEMENTS@NATIONALGRID.COM](mailto:BOX.GSOSETTLEMENTS@NATIONALGRID.COM)) OR NESO  
([revenue.invoice@neso.energy](mailto:revenue.invoice@neso.energy))**

**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)