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Date: 1st February 2026

Dear SCOTTISH HYDRO ELECTRIC TRANSMISSION PLC,

SCOTTISH HYDRO ELECTRIC TRANSMISSION PLC submitted ODIN – Optimisation and Diagnostics for Innovative Networks (the Project) to be considered for funding through the Alpha Phase of Round 4 of the Strategic Innovation Fund (SIF). In our SIF Funding Decision issued on 1st February 2026, we selected the Project for conditional funding for the Round 4 Alpha Phase and as a result we are now issuing this SIF Project Direction to implement that decision.

SCOTTISH HYDRO ELECTRIC TRANSMISSION PLC 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 4 Discovery Phase and submitted an Application for the Project to be considered for SIF Funding for the Round 4 Alpha Phase of the SIF. As stated above, the Project has been selected by Ofgem to receive SIF Funding for the Round 4 Alpha 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 1989.

**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: 10179178

Project title: ODIN – Optimisation and Diagnostics for Innovative Networks

Innovation Challenge/Project Phase: Accelerating towards net zero energy networks/  
Round 4 Alpha Phase

Project start date: 1st February 2026

Project end date: 30th September 2026

SIF Approved Amount for SIF Funding: £455,450

### 2. PREAMBLE

This SIF Project Direction is issued by the Gas and Electricity Markets Authority (the “Authority”) to SCOTTISH HYDRO ELECTRIC TRANSMISSION PLC (the “Funding Party”) pursuant to the SIF Governance Document issued pursuant to Special Condition 9.19 of the Electricity Transmission Licence. It sets out the conditions to be complied with in relation to ODIN – Optimisation and Diagnostics for Innovative Networks (the “Project”) as a condition of it being funded under the SIF Funding Mechanism, as defined in the SIF Governance.

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**

ROSS ROBOTICS LIMITED
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### **Condition 2**

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**

The Funding Party must make reasonable endeavours to 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 Alpha Phase.

### **Condition 4**

The Project will be allowed a flexible start date and duration within the 8-month period from the date the Project Direction is issued. The Project must tell the monitoring officer the start date and end date of the Project.

### **Condition 5**

Prior to the end of Phase meeting, the Funding Party must provide to the Monitoring Officer a summary of engagement undertaken with other GB transmission operators. This should include the scope of engagement, key feedback received, and how this feedback has informed the Project's approach, outputs, and potential for wider adoption.

## **4. COMPLIANCE**

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

## **5. SIF APPROVED AMOUNT**

The SIF Approved amount of £455,450 (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 is to 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.

As set out in Chapter 6 of the SIF Governance Document, the Funding Party may be required to submit an end of Phase report to the UKRI monitoring officer within six months of the Project ending, if the Project is not planning on submitting an Application to Beta Phase and, if the Funding Party submits an Application for the Project for Beta Phase but is not successful. Within this report, the Funding Party must submit information related to questions on Project delivery as detailed in Chapter 6, table 5 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 with 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 the Data Best Practice Guidance issued by Ofgem 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 WORK PACKAGES**

The Funding Party must provide an outline in its end of Project Phase meeting with its UKRI monitoring officer that verifies the Project work packages have been achieved or explains why they have not.

Project Work Packages are outlined below in Table 2, based upon details contained within Question 7 and Appendix Question 9 in the Funding Party's Application.



**Table 2. Project Work Packages<sup>1</sup>**

Reference	Project Work Packages	Deadline	Overall objectives and key tasks	SIF Funding Request
<b>WP1</b>	Project Management	30/06/2026	<p>Describe overall Work Package Objectives</p> <ol style="list-style-type: none"> <li>1. Co-ordination of all internal meetings with partners to ensure the project is on track</li> <li>2. Completion of timesheets and ensuring the project is on track financially</li> <li>3. Securing internal decision on proceeding with Beta application</li> </ol> <p>Describe the high level tasks to achieve the work package objectives.</p> <ol style="list-style-type: none"> <li>1. Maintain and track the project schedule, project actions, and project deliverables and expenditure forecast.</li> <li>2. Monitor and manage the risk register.</li> <li>3. Revision of Cost benefit analysis based on new learnings.</li> <li>4. Secure internal decision on proceeding with Beta application.</li> <li>5. Prepare for Show and Tell webinar.</li> <li>6. Produce conclusion document for monitoring officer.</li> </ol>	£50,215.97
<b>WP2</b>	Component Trending	17/04/2026	<p>Describe overall Work Package Objectives</p> <ol style="list-style-type: none"> <li>1. Expanded and robust component detection and tracking with SSEN-aligned identification, producing reliable temperature trends for each component.</li> </ol> <p>Describe the high level tasks to achieve the work package objectives.</p>	£106,091.24

<sup>1</sup> As outlined in in the Application or Project Plan appendix.

Reference	Project Work Packages	Deadline	Overall objectives and key tasks	SIF Funding Request
			<ol style="list-style-type: none"> <li>1. Expand component detection in the DC and Valve Halls using thermal images from the inspection robot.</li> <li>2. Develop robust algorithms to track components over time, ensuring reliability even when machine learning models are updated.</li> <li>3. Align detected components with SSEN's asset naming conventions.</li> <li>4. Enable consistent temperature trend generation to support condition monitoring and early fault detection.</li> </ol>	
<b>WP3</b>	Data Exchange	20/02/2026	<p>Describe overall Work Package Objectives</p> <ol style="list-style-type: none"> <li>1. Standardised interface definition for importing load data and exporting inspection, telemetry, and status data for SSEN's internal use.</li> </ol> <p>Describe the high level tasks to achieve the work package objectives.</p> <ol style="list-style-type: none"> <li>1. Establish standardised data interfaces for exporting robot inspection and trend data for SSEN's internal analysis.</li> <li>2. Establish standardised interface for Robot and Deployment Infrastructure telemetry data.</li> <li>3. Establish standardised data interfaces specification for importing converter load data for visualisation in AIDA7.</li> </ol>	£32,499.61
<b>WP4</b>	Trend Visualisation	12/06/2026	<p>Describe overall Work Package Objectives</p> <ol style="list-style-type: none"> <li>1. Interactive visual tools to compare component trends, correlate with Converter station load, and display UV discharge data.</li> </ol> <p>Describe the high level tasks to achieve the work package objectives.</p>	£111,896.21

Reference	Project Work Packages	Deadline	Overall objectives and key tasks	SIF Funding Request
			<ol style="list-style-type: none"> <li>1. Deliver tailored visualisations that allow the Operator to compare component temperature trends over time.</li> <li>2. Correlate temperature trends with historical and real-time Converter station load data.</li> <li>3. Define visualisation types, methods, and comparison tools in collaboration with the Operator.</li> <li>4. Provide optimal ways for the Operator to understand the state of the Converter station.</li> </ol>	
<b>WP5</b>	Dashboard	01/05/2026	<p>Describe overall Work Package Objectives</p> <ol style="list-style-type: none"> <li>1. Centralised interface providing inspection summaries, live system status, multi-site views, and custom trend visualisations.</li> </ol> <p>Describe the high level tasks to achieve the work package objectives.</p> <ol style="list-style-type: none"> <li>1. Deliver a central dashboard as the entry point to the AIDA service.</li> <li>2. Provide a clear, at-a-glance view of the overall monitoring system status.</li> <li>3. Present summaries of recent robot inspections.</li> <li>4. Display current robot telemetry and status.</li> <li>5. Show the state of supporting deployment infrastructure, including the Operator Control Unit, site radios, and other relevant equipment.</li> <li>6. Provide a consolidated view of all sites where the robotic system is deployed.</li> <li>7. Allow user-defined trend visualisations for focused monitoring of critical components.</li> </ol>	£77,505.05

Reference	Project Work Packages	Deadline	Overall objectives and key tasks	SIF Funding Request
<b>WP6</b>	Alerts	30/06/2026	<p>Describe overall Work Package Objectives</p> <ol style="list-style-type: none"> <li>1. Automated and configurable alerts for Thermal, Sound, UV, and operational issues with multi-channel delivery.</li> </ol> <p>Describe the high level tasks to achieve the work package objectives.</p> <ol style="list-style-type: none"> <li>1. Add automated alerts to the AIDA platform covering both thermal and UV inspection data.</li> <li>2. Include rule-based notifications aligned with the Operator's existing surveillance techniques, defined in collaboration with the Operator.</li> <li>3. Implement internal developer alerts to detect issues with the robot, deployment infrastructure, or trending and machine learning model performance before they impact operations.</li> <li>4. Support both pre-set alerts based on development team expertise and customisable user-defined alerts.</li> <li>5. Agree delivery channels such as dashboard notifications, email, or SMS with the Operator to match user needs.</li> </ol>	£77,242.56

## **2. USE OF LOGO**

The Funding Party and the Project Partners, External Funders and Project Supporters or subcontractors, as detailed in the Application, 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.

## **3. 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.

## **4. 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.

## **5. 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.

## **6. 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.

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 9.19 of the Electricity Transmission 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 (£)
Labour	£316,962
Materials	£34,000
Subcontracting	£75,418
Travel and subsistence	£1,200
Other costs	£78,476
<b>Total</b>	<b>£506,056</b>

Project Partner	Total project costs (£)	Project contribution (£)	Total SIF Funding requested (£)	Project contribution (%)
SCOTTISH HYDRO ELECTRIC TRANSMISSION PLC	£56,794	£5,679	£51,115	
ROSS ROBOTICS LIMITED	£449,262	£44,927	£404,335	
<b>Total</b>	<b>£506,056</b>	<b>£50,606</b>	<b>£455,450</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@nationalgrideso.com](mailto:revenue.invoice@nationalgrideso.com))**

**Company name:**

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

First Name:

Last Name:

Email address:

Mobile phone number:

Work phone number:

**Address details**

Address name:

Street address:

City:

State / region:

Post code:

PO box: (if applicable)

PO box post code: (if applicable)

**Banking details**

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

Any of the below documents will suffice:

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