

# *LCN Fund Full Submission*

## *Supplementary Answer Form*

Tick if this answer is Confidential: ☐

Tick if this answer has been provided verbally: ☐

Project code:	SPT 2003	Question Number	9
Question date	30/08/2011	Answer date	06/09/2011
Submission section question relates to	Section 8		
Topic	Customer Impacts		
Question	Who is procuring and paying for the equipment which will be installed in I & C customer's premises to improve energy efficiency and reduce peak demand? (Section 8 of the proforma).		
Notes on question			
Answer	<p>An important element of the project will be to understand how improved energy efficiency within a customer's premise will aid a reduction in overall peak demand of the network. With regard to the process for the installation of equipment that will help to enable this reduction – ultimately the customer will be the one procuring and investing in the equipment. We do however recognise that to obtain the best learning out of the trial the uptake of equipment installed must be at a significant level to provide adequate information and allow the impact to be fully quantified and extrapolated for GB rollout. We will aim to use the following process in assisting the customer to make the necessary investment to improve energy efficiency within their premise, including installation of equipment.</p> <p>Firstly, as already discussed in our submission we will appoint an independent energy consultant to undertake an energy review of a customer's premise where the customer is interested to identify potential areas of saving. We have already engaged with BRE (Buildings Research Establishment) to assist with the coordination of these energy surveys.</p>		

	<p>This service would be offered to relevant customers in the trial areas free of charge which will provide the customer with relevant information and recommendations on equipment that can be installed to improve the energy efficiency and optimise the electrical demand of the premise. Customers will be free to use the advice from the energy survey in whatever way they wish, however if they are interested in some of the equipment which we have identified such as voltage optimisation or power factor correction, we will be able to assist with product selection.</p> <p>We will engage with various energy efficiency equipment providers to develop a list of recommended equipment with input from BRE and other organisations that are experienced in this field such as the Carbon Trust. The purpose of this information will be to provide customers with an approved list of potential suppliers of equipment that can be installed at their premises to aid an improvement in energy efficiency.</p> <p>We do recognise however that some products, whilst useful in achieving the goal of improved efficiency, may be cost prohibitive to customers as they are not regarded as being economic, for example the payback period may be considered too long. It is therefore vital that we understand at the outset through stakeholder engagement on what equipment customers would be willing to invest in and understand the payback periods which they would consider reasonable to make the necessary investment.</p> <p>Whilst we would not envisage providing customers with money to invest themselves, we will be prepared to subsidise the equipment available on an approved equipment list to a level which the customer regards as making the technology economic, whilst ensuring the level of investment is proportional to the anticipated benefit. We will also track equipment installations so that it is traceable where money has been invested.</p>
Attachments	
Verbal Clarifications (Consultants )	