

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	19
Question date	15/09/2011	Answer date	21/09/2011
Submission section question relates to	Section 9		
Topic	Successful Delivery Reward Criteria		
Question	Please submit revised Successful Delivery Reward Criteria. You should refer to the email sent by Mark Askew on 14 September (a copy of this is available in the Shared LCN Fund folder).		
Notes on question			

Answer	<p>Criterion 9.1</p> <p>Project Budget Reward weighting - 20%</p> <p>The project will be delivered to budget in accordance with the Tier 2 full submission. A 5% variance will be acceptable between work packages but the overall project will be delivered in line with this submission in order to demonstrate effective cost control.</p> <p>Evidence 9.1</p> <p>Ongoing cost reporting to monitor progress and publication of a final report to Ofgem will identify costs incurred per work package to assess compliance with the Tier 2 submission. Project completion date of December 2014.</p> <p>Criterion 9.2</p> <p>Project Milestone Delivery Reward weighting - 20%</p> <p>The project will be delivered in accordance with the timelines outlined in the Tier 2 submission to ensure timely learning can be disseminated and adopted in advance of RIIO-ED1 commencing. Delivery in accordance with these timelines, and in line with budget as per criterion 1 will demonstrate effective project management.</p> <p>Evidence 9.2</p> <p>Ongoing project reporting and formal reports to Ofgem will identify the how well the project is being delivered in accordance with the time lines set out within this submission. Should individual work package time lines deviate from plan, a lower reward weighting may be appropriate as long as the overall project is delivered on time. Suggested weighting being:</p> <p>6% reward for the successful delivery of WP1 within the time scales outlined in the proposal</p> <p>8% reward for the successful delivery of WP2 within the time scales outlined in the proposal</p> <p>6% reward for the successful delivery of WP3 within the time scales outlined in the proposal</p> <p>Total Reward weighting - 20%</p> <p>Criterion 9.3</p> <p>Creation of a Flexible Network - St Andrews Reward weighting - 15%</p>
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	<p>This criterion is to reward on the basis of degree of success on achieving the stated project outputs.</p> <p>The St Andrews trial will be making use of the network monitoring to improve knowledge of the network and provide robust evidence of the benefits of the physical solutions. The flexible network control, dynamic asset rating and voltage regulators will provide additional back-feed capability such that the existing substation and OHL reinforcements can be deferred or avoided. An increase in capacity of 20% is being targeted.</p> <p>Evidence 9.3</p> <p>The Evidence will be submitted in the form of a sufficiently robust business case paper detailing the full basis, costs and benefits of the installed Flexible Network solution sufficient for Scottish Power to defer or avoid the business as usual reinforcement.</p> <p>At the end of the project, evidence detailing how a 20% headroom has been achieved will be published along with details of the methodology for this, along with supporting verification from one of the project partners. A comparative analysis of the traditional reinforcement solution will also be provided to demonstrate the nature of the saving.</p> <p>Work will be undertaken within the permitted CI/CML allowance and with no health, safety or environmental incidents. All of these measures will form part of the internal reporting structure and will feature in any formal report to Ofgem.</p> <p>Criterion 9.4</p> <p>Creation of a Flexible Network - Wrexham Reward weighting - 15%</p> <p>This criterion is to reward on the basis of degree of success on achieving the stated project outputs.</p> <p>The Wrexham trial will be making use of the cascade monitoring to improve knowledge of the network and provide robust evidence of the benefits of the physical solutions. The improved knowledge will then be used to allow further PV connections without significant reinforcement as is currently envisaged.</p> <p>Evidence 9.4</p> <p>The Evidence will be submitted in the form of a sufficiently robust business case paper detailing the full basis, costs and benefits of the installed Flexible Network solution sufficient for Scottish Power to defer or avoid the business as usual reinforcement.</p> <p>An evidence base will be published which outlines the amount of microgeneration which the project has proven can be connected to this</p>
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part of the network as a result of this solution, a comparative analysis will be provided of the volume of microgeneration which could be connected pre-project. This will be supported by independent analysis by an appropriate project partner to verify the results.

Work will be undertaken within the permitted CI/CML allowance and with no health, safety or environmental incidents. All of these measures will form part of the internal reporting structure and will feature in any formal report to Ofgem.

Criterion 9.5

Creation of a Flexible Network - Whitchurch Reward weighting - 15%

This criterion is to reward on the basis of degree of success on achieving the stated project outputs.

The Whitchurch trial will be making use of the network monitoring to improve knowledge of the network and provide robust evidence of the benefits of the physical solutions. The flexible network control, dynamic asset rating and voltage regulators will provide additional back-feed capability such that the existing substation and OHL reinforcements can be deferred or avoided. An increase in capacity of 20% is being targeted.

Evidence 9.5

The Evidence will be submitted in the form of a sufficiently robust business case paper detailing the full basis, costs and benefits of the installed Flexible Network solution sufficient for Scottish Power to defer or avoid the business as usual reinforcement.

At the end of the project, evidence detailing how a 20% headroom has been achieved will be published along with details of the methodology for this, along with supporting verification from one of the project partners. A comparative analysis of the traditional reinforcement solution will also be provided to demonstrate the nature of the saving.

Work will be undertaken within the permitted CI/CML allowance and with no health, safety or environmental incidents. All of these measures will form part of the internal reporting structure and will feature in any formal report to Ofgem.

Criterion 9.6

Engagement, dissemination and adoption Reward weighting - 15%

This criterion covers both Internal and External engagement and dissemination activities as described in Work Package 3.

It will also monitor how SP Energy Networks adopts or incorporates the

	<p>outputs of the LCNF project into the core business processes going forward. Having the positive outcomes accepted as beneficial for core business will be a strong indication of both success of the trials as well as an indication of the commitment of the Flexible Networks project team in driving the business change and acceptance process.</p> <p>The key aspects of this criterion are to ensure that the project provides high quality and timely engagement and dissemination with the internal and external stakeholders.</p> <p>Evidence 9.6</p> <p>Internal and External workshops will include formal post-workshop surveys to effectively score the success of the learning. Surveys will include points on whether there is sufficient high level information to understand the project context, as well as detailed information on the solution design, data/information gathered and shared, and how the acceptance process within SP Energy Networks progressed.</p> <p>A survey will also be undertaken within each trial area of the affected Stakeholders to gauge the level of satisfaction and to confirm whether they felt they were sufficiently informed of the activities, benefits and risks of the LCNF project.</p> <p>Further proposed milestones which will demonstrate this success are:</p> <p>Project website established to provide overview of project - April 2012</p> <p>Site visit of PNDC for DNO and Ofgem representatives to demonstrate technology - June 2013</p> <p>Formal dissemination event to disseminate outcomes - December 2014</p> <p>The evidence of adoption of the Flexible Network method will be based on the preparation of business case for RIIO-ED1 or that the outputs from the trials are factored into RIIO-ED1 preparation as appropriate. These will be provided as a separate adoption report to capture and sign-post where the learnings have been incorporated.</p>
Attachments	
Verbal Clarifications (Consultants)	