

Network Innovation Competition Full Submission

Supplementary Answer Form

Tick if this answer is Confidential: ☐

Tick if this answer has been provided verbally: ☐

Project code:	SSEEN01	Question Number	3
Question date	15 August 2013	Answer date	19 August 2013
Submission section question relates to	Sections 6.13/6.14		
Topic	MTTE organisation model and management structure		
Question	Please explain the nature of the commercial arrangements for the use of the MTTE facility, both during and after NIC funding.		
Notes on question	n/a		
Answer	<p>The MTTE organisation model will be based on the following principles; that the MTTE should:</p> <ul style="list-style-type: none"> • Be the long term 'home' of replica control panels provided by suppliers of HVDC projects (subject to suitable commercial agreement for each project); • Protect the background IP of Suppliers' equipment; • Be collaborative, and focused on delivering value to Transmission Licensees and their Customers; • Draw on the expertise of the academic community; and • In the long term be able to be self-sustaining. <p>As identified in Sections 6.13 and 6.14 of our Full Submission we believe that the MTTE should be owned and operated by SHE Transmission. We feel that this will allow SHE Transmission to ensure that it can successfully deliver the Project Direction. We intend to put in place a Collaboration Agreement with the Scottish Power Transmission and National Grid Electricity Transmission to formalise their roles in the project. The</p>		

	<p>Collaboration Agreement will include provisions to: -</p> <ul style="list-style-type: none"> • Establish the MTTE facility and Governance Arrangements • Ensure compliance with Project Direction and NIC Governance Document • Define responsibilities and obligations of each of the TOs for the MTTE project • Define costs and payments • Mechanism for development of programme of works etc • Arrangements for dealing with third parties ie academics , consultants etc <p>Both NGET and SPT have provided Letters of Support for the MTTE project and will enter into a Collaboration Agreement to ensure its delivery. We will continue to develop this agreement in order to ensure that is signed by SPT and NGET by May 2014.</p> <p>The MTTE will still be of value and deliver benefits for TOs beyond the initial NIC funded period. Therefore, we would look to extend and develop these arrangements to ensure its continued operation. The MTTE Management team will look to develop a suitable strategy during the four year operating period.</p> <p>There is the potential that the MTTE could be used by third parties such as Interconnector Operators or Renewable Developers to carry out further study works. Separate additional commercial arrangements including costs will be required in order to allow these works to proceed. However, during the NIC funded period the focus of the MTTE will be on the delivering the requirements of the Transmission Operators and we do not anticipate that there will be any significant additional third party works.</p> <p>If capacity exists beyond the NIC period to carry out any works for a third party, this will be subject to an appropriate commercial agreement including a fee for use of the facility. Any additional future income from third parties will be used to offset the future .cost of operating the MTTE.</p>
Attachments	
Verbal Clarifications (Consultants)	