LCN Fund Full Submission

Supplementary Answer Form

Tick if this answer is Confidential: ☐

Tick if this answer has been provided verbally: ☐

Project code:	SSET206	Question Number	9
Question date	17 September 2013	Answer date	19 September 2013
Submission section question relates to	5. Knowledge Dissemination		
Topic	Methodology		
Question	Please provide a structured methodology for both the "insight into cost effectiveness of a variety of measures introduced by DNOs to encourage energy efficient behaviour by customers" and "how different types of measures can be designed and implemented"		
Notes on question			
Answer	**Insight into cost effectiveness** The SAVE project will trial different types of energy efficiency approaches ranging from technology installation to financial incentives and data informed customer behaviour change to customer behavioural change based on engagement alone. During each trial a formalized process of recording the cost of the trial methodology will take place. Timesheets will be designed for all project staff both SSE and other project participants. These timesheets will be collated and reviewed on a weekly basis to ensure costs are not omitted, utilising the SSEPD cost collection and recovery process 'Financial Management of FN Projects, WI-PS-FNP-010'. Each resource will be allocated a realistic market rate including overheads. All external costs such as engagement material will be recorded for each trial. At the end of each trial period, total trial costs will be calculated. Since the robustness of the network investment model is driven by the accuracy of the cost of approach, an internal review process will take place for each total costing to ensure no costs have been missed. The frequency of engagement will be taken into account in this process ensuring the costs are valid for the length of demand reduction required. Each trial participant will be monitored for energy consumption. The monitoring process enables the project to judge whether a trial has had an impact on energy consumption. A control group will be established for		

comparison. The demographic characteristics of each participant will be recorded. Within each trial group a representative number of demographic groups will be present. This enables the constructing of representative substation demographics, leading to a calculation of energy consumption reduction for each method for different substations.

The calculation of relative cost effectiveness of each trial methodology is a simple division of the cost of the trial recorded in the manner described above and the total kWs and kWhs consumption reduction observed from the methodology. This will feed in to the network model as a decision tree, enabling control engineers to select the most cost-effective methodology for a given substation.

Design and implementation of measures

As outlined in the bid submission, the project will commence with a detailed process of identifying customer engagement approaches from previous LCNF project, other projects in the UK and experience from international projects. The findings and process will be reported to Ofgem as SDRC 1 in June 2014. The document will describe which aspects of previous projects have been examined in detail to ensure learning is incorporated and no replication occurs. This will then inform the project plan so there is a clear process for the project team in order to incorporate this learning.

Summary of design and implementation methodology:

- Desktop research of existing learning
- Recruitment of properties to project
- Development of groupings based on results from surveys
- Random allocation of properties to particular trials (ensuring full socio-demographic mix)
- Installation of monitoring equipment
- Formulation of hypothesis
- Start of trials (installation of LEDs begins, start of campaigns and incentives)

The methodology draws upon SSEPD's 'Learning & Knowledge Management Work Instruction, WI-PS-FNP-012' which incorporates the Distribution Innovation Focus Matrix, which is consistent with our focus on bringing new ideas to Business as Usual (BAU). The Network Investment Tool will have a structured design and associated training to ensure ease of implementation in BAU, allowing DNOs to gain an understanding of the learning achieved and how to apply it in practice – key to successful business as usual roll out of the measures proved cost effective through the project.

For BAU the measures will be designed and implemented by network planners using the Network Investment Tool in conjunction with socio-demographic data to select the most cost-effective and appropriate solution for a given network.

This process will drive the detailed design and implementation of the measures and is key to ensuring this project leads to new learning that can be shared by all DNOs. This process will involve meetings/telephone calls with members of project teams from previous LCNF projects, Irish trials and international projects to ensure detailed approaches taken by other projects are understood by the SAVE project. This process will also draw in wider expertise such as customer recruitment marketing professionals, community

	engagement professionals and sustainability professionals with experience of developing programmes that rely on customer participation. We are confident that this methodology will build on the existing learning, avoid duplication and ensure participation of other project members whilst focusing on creating a tool that will be accessible and readily deployable by other DNOs.
Attachments	
Verbal Clarifications (Consultants)	