

Network Innovation Competition Full Submission

Supplementary Answer Form

Tick if this answer is Confidential: ☐

Tick if this answer has been provided verbally: ☐

Project code:	SPTEN01/V0	Question Number	1
Question date	15 August 2013	Answer date	19 August 2013
Submission section question relates to	Section 5		
Topic	Knowledge dissemination		
Question	How does SP propose to ensure that software developed (and potentially paid for) by Suppliers will be available to Licensees after the project on fair and reasonable terms?		
Notes on question	N/A		
Answer	<p>SPT, together with the consortium, has been very mindful to ensure that IPR arrangement complies with the spirit of NIC governance document so that the interests of the electricity customers can be maximised. A balanced view should be taken to ensure that potential suppliers have opportunities to protect their IPR and commercial interests if they pay for such developments.</p> <p>If the software development was paid by the project, such a development will be covered by the standard terms and condition. The IP and resulting development will be available for the licensees and each party mutually undertakes to abide by the terms of the Escrow Agreement.</p> <p>If the software development is paid by the suppliers, and as a result, the supplier retains the ownership of forefront IPR, it is intended that the software developed for the project will be a commercially available offering, competitively supplied to other utilities worldwide. The cost of the software licenses will be related to effort to develop and maintain, and the value of the benefit delivered. SPT will ensure that the terms of engagement with the supplier will include discounting for the Licensees for perpetual licenses, where the discount reflects the contribution from the project to software licenses and development costs.</p> <p>An example of the perpetual license discounting arrangement offered by one supplier approached by SPT is that the fixed-term license is offered at a</p>		

	<p>proportion of the perpetual license cost, depending on the length of the term, and the fixed-term payments are subtracted from perpetual cost.</p> <p>SPT will also negotiate a discounting rate for multiple instances of the same applications for the Licensees, reflecting the collaboration between Licensees and need for common views.</p>
Attachments	A section on this topic from the proposed legal document: Collaboration Agreement, from Legal's Department of Licensee
Verbal Clarifications (Consultants)	