

Q1) The Method is not described clearly enough to allow us to assess the submission against the criteria set out in the LCN Fund governance document. Please provide further clarity on the Method(s) that your project will be trialling. Please explain what the 'three innovative solutions' mentioned will entail.

A1) The Method will trial three innovative solutions that enable quicker and lower cost LCT connections for customers. These solutions will also have the benefit of increasing fault level headroom and releasing capacity and will not constrain the customers' operation. The three Trials will regulate fault current in real time across HV and EHV distribution networks and are described in more detail below:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Our approach will ensure continued safe operation at all times.

Q2) The information provided in the submission is not specific enough to allow us to assess the process and rationale you used to identify and select this idea and project partners. Please provide more information on these areas.

A2) Innovation activity in Electricity North West is developed to deliver customer benefits through obtaining greater utilisation of existing assets. We encourage our stakeholders to participate in our innovation work and we make it as simple as possible for them to interact with the Future Networks team and/ or suggest innovation ideas. There are numerous ways for our stakeholders to pitch their idea(s) to the Future Networks team and we have multiple channels through which our stakeholders can engage, for example:

- Partnership with the Energy Innovation Centre; and
- Electricity North West contact centre including interactive voice response (IVR) option for innovation, Electricity North West's innovation website and specific e-mail address, plus social media activity.

Our Future Networks team and senior managers are active and accessible across the industry and internally within the business for example:

- Industry engagement through presenting at conferences and seminars eg IET and WEET events and chairing forums eg Distributed Generation Forum, Distribution Code Review Panel etc;

- Stakeholder engagement plus Engaged Customer Panels for our RIIO ED1 business plan and for the development of customer materials for sharing information on our innovation projects;
- Close collaboration with Connections activities to ensure developers have opportunity to discuss alternative approaches with our Future Networks Engineers; and
- Innovation engineers seeking new developments in technical and commercial approaches by discussing concepts with other DNOs, industry colleagues, product developers and consultants.

Our Future Networks Steering Group (FNSG) assesses project suggestions from these various sources and decides on which to take forward. The idea for this project was generated internally in response to evidence that rising fault level across our distribution network has become a constraining factor for the economic and efficient connection of low carbon load and generation and this is set to increase in RIIO ED1 and beyond. A First Tier LCN Fund project was initiated and the fault level active response concept has been reviewed by a consultancy, academic institution and also representatives from both our customer base and technology organisations. These reviews have demonstrated that there is keen interest and support across each of these stakeholder groups for both the technological and commercial innovations being explored. The FNSG selected and approved this innovation idea as the basis for the 2014/15 submission to the Second Tier of the LCN Fund.

Every Second Tier LCN Fund project requires different specialist skills to achieve the highest degree of learning and deliverables from the project and we maintain a neutral and accessible approach when searching for new partners and suppliers to work with. Costs for equipment and services will be collected by conducting open, fair and accessible processes (eg requests for information and tenders etc) during the bid development period and/ or in project delivery with the scoring criteria balancing cost, contribution, quality, risk and performance.

In February 2014 we issued an Expression of Interest on the ENA LCN Fund portal for organisations that have the appropriate resource and experience to support each phase of this project. Fifteen responses were received and evaluated across the project's requirements within technical scope, commercial scope and customer engagement. So far we have appointed the Technical consultants that we will use in bid development and project delivery and in parallel we will determine through an additional procurement process, overseen by our Procurement department, the partner(s)/ supplier(s) to fulfil the customer survey and commercial partner roles. In addition, we have adopted a separate strategy for the provision of the specialist technologies. [REDACTED]

[REDACTED] We will conduct a mini-tender to select a partner for the FLARE software.

We have approached Ener-G, a CHP provider with knowledge of I&C customers, to potentially provide support in a Partner capacity. From our experience through connections activities we will continue to speak to other developers and customers.