



Making a positive difference
for energy consumers

Network licensees, consumers
and other interested parties.

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Dear Stakeholder,

Feedback on submissions to the Initial Screening Process of the 2014 Network Innovation Competitions

On 7 May 2014 we confirmed that 11 projects had met the Initial Screening Process (ISP) eligibility requirements, set out in the Governance Documents, and could proceed to the full submission stage of the innovation competitions. Although the projects met the criteria for ISP, we thought that the responses to the specific Project Partners criteria were weak overall this year. Collaboration between Network Licensees and other parties in the energy supply chain is a central objective of the Network Innovation Competitions (NIC) and this will need to improve for future submissions.

For the ISP stage of the competitions identifying and selecting project participants is a specific part of the criteria (criterion (b) point v within the NIC governance and criterion (e) within the Low Carbon Network Fund governance). This year these criteria were poorly answered by all submissions.

Our rationale for having a criterion on Project Partners is to ensure that innovation ideas are being captured from all possible sources. We want network licensees to work closely with other parties in the supply chain to explore what technological or commercial arrangements best address changes in network use and what role they can play in facilitating low carbon and/or wider environmental benefits. Network companies may benefit from the technologies used and lessons learned in other sectors, for example in the telecoms and information technology industries, or through collaboration with local authorities and universities. Therefore partnerships with technology providers or others outside the energy industry could be very valuable in forming your project submissions.

As part of meeting the Project Partners criterion we would expect to see evidence of the systems or processes that have been put in place to identify potential Project Partners. As stated in the Governance documents, this should include:

- How the Network Licensee has made interested parties aware of the NIC and the Collaboration Portal, and how the Network Licensee has utilised the website to seek collaborators;
- How Network Licensees have actively sought out ideas for Projects; and
- The processes Network Licensees go through to decide which of the available ideas they take forward as NIC Projects.

If you have any questions on this letter, please contact Dora Guzeleva on 020 7901 1851 or by email at Dora.Guzeleva@ofgem.gov.uk.

Yours sincerely,



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