

Re:

Proposed changes to the Network Innovation Competition and Network Innovation Allowance Governance Documents

Deadline to reply: 19-December-2014

Dear Neil:

Thanks for the consultation regarding some minor changes to the NIC-NIA Governance.

Proposed Changes

A) Evidence of a competitive process when selecting partners

Question 1: Do you agree that this criterion should be clarified to make it clear that licensees must explain their processes for selecting ideas and partners?

We fully understand the principle of this change, as it will demonstrate that the project proposal and partners have been (would have been) through a competitive process to ensure the necessary quality and transparency. We noted that the proposal provided the flexibility on whether appropriate partners would have been identified during the ISP stage. Indeed, final ISP submission from Licensees is normally a result of an internal appraisal. Therefore, elaborating such process might not be necessary during the ISP stage.

B) Clarification of the resubmission process following the second bilaterals

Question 2: Do you agree that this provision should be amended to clarify that licensees should only make changes to their submissions to correct errors and incorporate changes as a result of discussions with the Expert Panel?

We agree that the resubmission does not mean fundamental changes of the original submission (or a total different version). However, should Ofgem(and/or expert panel/ consultants) seek clarification, substantial additional information may be necessary to be included.

It is also likely that some technical/policy change might materialise during the concerned three months (post full submission, and prior to resubmission). In this case, we will appreciate the opportunity to include/modify in line with such changes that may have arisen out with our control.

C) Deadline and Submission Materials

Question 3: Do you have any comments regarding the time frame of the NIC process or the submission materials?

Based on the experiences, we believe that the existing planned ISP time (the start of April each year) is manageable and the submission proforma is fit for purpose. We believe that the status quo should prevail, as the time frame provides necessary opportunity to engage with internal/external stakeholders.

Question 6: Please indicate whether or not you plan to make use of the IRM and if so how many applications you intend to make.

ScottishPower Transmission currently does not have a plan to make an IRM submission in 2015. This position is subject to an ongoing review.