

Nisha Doshi
Smarter Grids and Governance team,
Ofgem,
9 Millbank,
London,
SW1P 3GE

Date: 22 May 2015

Dear Nisha,

In response to your call for consultation on the Successful Delivery Reward Applications for Low Carbon Networks Fund projects (Ofgem letter dated 8th May) please find below Nortech's observations on the Customer-led Network Revolution by Northern Powergrid.

Scope of response

Nortech's involvement as a stakeholder in the CLNR was to supply remote monitoring systems for plant (switchgear, transformers, sub-systems, and cables) installed at MV and LV substations. Whilst the spend with Nortech was small relative to the overall project it did give us visibility of several of the network engineering elements of CLNR including working with Northern Powergrid Project Engineers, EATL and network equipment suppliers. In addition to having a view on the management of the project, we are also well placed to comment more widely on the extended benefits from this project.

Response

Our response addresses question 2 in your letter relating to management of project risks and change.

Were project risks and uncertainties pre-emptively identified and managed adequately by the network company? Did the risk identification and management process allow for the consideration and implementation of opportunities?

The original plan for LV substation monitoring did not include Nortech. The project team had opted for a solution based around fairly traditional SCADA and meter monitoring techniques. It became clear that this solution was proving difficult to engineer for the LV substation environment. Gathering substation data was on the critical path and as such NPg engineers looked for an alternative in case the planned solution could not be delivered on time. NPg and EATL got in touch with us, we discussed the technical, cost and time constraints and were able to offer an alternative monitoring solution optimised for the LV substation environment and the needs of CLNR. It was clear that discussions with NPg could be summarised as "We need you to give us Plan B in case Plan A doesn't deliver". Whilst being the "Plan B" is never a great feeling we do appreciate the need for good project risk management. When Plan A proved unworkable in the time available Nortech's plan B was implemented.

Data gathering from LV substations started on time as a direct result of this risk management approach.

And for the remainder of the project data monitoring of Enhanced Network Devices "END points" was at a lower cost, complexity and risk.

Extended benefits leading from the project

One direct knock-on benefit of the project teams' approach to risk management has been that the project provided us, a UK SME, with the first big opportunity to prove the benefits of advanced monitoring systems within a large "smart grid" project. Lessons learnt from the project and the involvement of the CLNR project team engineers have already been shared, and this learning has also played a significant part in shaping our future product developments and in taking forward the industry's thinking more generally. We have had the opportunity to participate and share this learning in the CLNR project dissemination events (some of which feature in the successful delivery reward criteria) as well as the annual conferences established by the Energy Networks Association. Following our involvement in the project we have gone on to develop our product range and these are now available for other DNOs to use in the confidence that they are suited to their needs.

Yours sincerely



Julian Brown