

Siemens plc Sir William Siemens House Princess Road Manchester M20 2UR

Nisha Doshi Ofgem 9 Millbank London SW1P 3GE

22nd May 2015

Dear Nisha

Re: Consultation on the Successful Delivery Reward Applications for Low Carbon Networks Fund (LCNF) projects

Siemens plc welcomes the opportunity to respond to the consultation on the Successful Delivery Reward (SDR) application made by UK Power Networks for Low Carbon London.

Siemens were proud to be a project partner and were involved in the project from the outset of scoping and developing to bid phase and were engaged as partners for the full duration of the project. This has given us a significant and enduring insight into the project and has enabled us to get a more rounded understanding of the Distribution Network Operators drivers and requirements. This invaluable experience has steered and informed our own (global) investment decisions and helped us develop our solutions with the knowledge and experience gained.

We have recently been successful in a Horizon 2020 Lighthouse Project, Triangulum, which will allow us to continue the research and development into how an urban energy system can enable smarter cities. This would simply not have been possible without our participation in Low Carbon London.

Siemens was heavily involved in the delivery of the initial SDR Criteria (SDRC) specifically with respect to the Operational Data Store and its ability to manage and store the significant volumes of data collected by the programme. The project team were, from the outset, clear and concise on the requirements required for the successful delivery of the project and we are confident that the SDRCs were met or surpassed at each stage of the project.

The project should be commended for the internal project dialogue and inclusive behaviour of all project partners. From start to finish the project ran Programme Steering Group meetings where all programme partners were invited and took active roles within the meetings. Prince2 methodology was used extensively from the outset and enabled clear descriptions, in common formats across the project and aided the quality of both the trials and the final outputs. Risks were reported both continuously and with transparency allowing partners to contribute to solutions and monitor the mitigating actions. The programme also ran a very comprehensive change control process driven by a professional and experienced Project Management Office (PMO).

The financial reporting throughout the project was thorough and clearly communicated. It is our understanding from our involvement, and summarised in the closedown report, that the project managed to significantly underspend against the budget which it should be commended for.

The project also benefited from significant oversight from the Project Partner Strategic Group. This group's membership was formed of the senior stakeholders from each of the project partners. Typically, this was a CEO, board or executive level member who had UK and international experience and provided challenge and advice on each area of the project.

We were also pleased to bring our international experience to the latter stages of the project through making available our international experience in Electric Vehicles and involvement in European projects. It is these experiences in Europe and further afield that we believe Ofgem and the LCNF in particular should be recognised and commended.

Low Carbon London is a real example of how research projects can go further than academic findings but apply these to real networks and provide the industry with material findings that can be applied to the distribution system. The LCN Fund has enabled, and encouraged, distribution network operators to take the lead, share findings and form partnerships that may not have been possible without this funding and has helped the UK to be a genuine global centre for smart grid research.

Siemens is delighted and extremely proud to have been involved in not only Low Carbon London but a number of other ground breaking and truly innovative projects that would not have been possible without the LCN Fund.

Yours Sincerely

Paul Brodrick

Head of Connected Communities Siemens plc

A division of Siemens plc