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| Network Innovation Competition 2020 Supplementary Answer form | | |

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| Project Name | Constellation | | |
| Question number | #17 | Pro forma section | Section 9 |
| Question date | 10/09/2020 | Answer date | 14/09/2020 |
| Question summary | Please expand on Project deliverable 7, including an explanation of why this element has 22% of project costs attributed to it. | | |

## 

## Answer (please retain document formatting and do not exceed 2 pages unless otherwise agreed with Ofgem)

We see Deliverable 7 as one of the key outputs of Constellation, as it will contain the analysis and results of the project trials. This deliverable will include:

* All the key learning achieved throughout the project on the overall project methodology and results;
* Evaluation of the performance of key Constellation elements (as listed in section 2.2.1);
* Analysis and insights of the trial data to assess the impact on the business case. This will consider the commercial requirements for the roll out of the 5G communication as well as the on-going software costs of Methods 1 and 2;
* Essential learning for business as usual deployment across UK Power Networks and the wider GB distribution network. This will include the steps required for successful replication that will enable other DNOs to understand the costs, benefits and deployment requirements for rolling out Constellation across their respective licence areas.

All project activities were planned in line with the proposed deliverables, as shown in Figure 16 (section 6.1.3). Additionally, the project costs were calculated on a monthly basis for the entire duration of the project. Therefore, the funding requested for Deliverable 7 (and all other deliverables) is based on the relevant costs expected to be incurred up to the date of the deliverable.

As such the costs incurred in order to be able to produce this deliverable include:

* UK Power Networks and PNDC engineering time for analysis of the trial results;
* Final delivery milestone payment for each Partner;
* Final delivery milestone payment for subcontracted third parties; and
* Training time and materials for transition into business as usual.

Please note that within Deliverable 7, we have also allocated the following project costs:

* Knowledge dissemination costs for the entire project;
* Travel and Expenses costs for the entire project;
* UK Power Networks Project management costs for the entire project;
* Project Contingency for the entire project; and
* The independent audit of all deliverables.

We acknowledge that an alternative approach is to distribute these supporting costs across all the deliverables which will reduce Deliverable 7 to 9% of the NIC funding requested, while increasing all other deliverable costs by an estimated one to four percent. We can change to this allocation approach in the resubmission if requested by Ofgem.