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| Network Innovation Competition 2020 Supplementary Answer form | | |

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| Project Name | QUEST | | |
| Question number | #17 | Pro forma section | Section 4 |
| Question date | 25/08/20 | Answer date | 27/08/20 |
| Question summary | While the text of the proposal states that the GB benefit will only start in 2028 there is already benefit shown by 2030 in the benefits table and graphs. How was this benefit derived? | | |

## 

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

The benefits presented out to 2030 comprise the combination of benefits from:

* The Electricity North West roll-out of QUEST, which starts from 2025. At the end of the project, we will be in the position to begin our roll-out using the models, processes and learning gained from the project.
* The roll-out of QUEST across the rest of the GB DNOs, assumed to deliver benefit starting in 2028, allowing DNOs the necessary time to incorporate learning from the QUEST project within their systems. The cost of developing and integrating software solutions is spread over the first four years of roll-out. Consequently, not all of these costs are included in the 2030 numbers.

The 2030 benefits include the considerable benefits from incorporating several ‘quick win’ networks into QUEST, thereby releasing capacity where it is needed most, first. The early stages of our roll-out incur the highest cost due to our needing to establish and integrate the models and solution. By 2030, less than 30% of roll-out costs have been incurred compared to the cumulative total in 2050. For this reason, the cumulative benefits in 2030 outweigh the costs.