

Gas Network Innovation Competition Full Submission

Supplementary Answer Form

Project: _____

Tick if this answer has been provided verbally: ☐

Project code	NGGTGN03	Question Number	16
Question date	27/08/2015	Answer date	01/09/2015
Submission section question relates to	General		
Topic			
Question	<p>What is the project risk that the innovation funding is going to address? Under current arrangements when customers ask to be connected, the network company has to respond and innovate to satisfy the needs of different (and new) classes of customers.</p>		
Notes on question			
Answer	<p>National Grid undertakes customer connections on a cost pass through basis i.e. we charge no margin. We also do not have any regulatory allowances to investigate and trial new approaches, other than through the innovation mechanisms of Network Innovation Allowance (NIA) and Network Innovation Competition (NIC). Additionally, if an individual customer wants to pay the least amount of money and have the shortest connection time, they do not want to fund exploration into different approaches that may not come to fruition.</p> <p>This project proposes a fundamental change how we undertake connections. We will move from a strategy of burying assets below ground which involves significant site preparation and civils, to the prefabrication of an assembled unit, based on standard designs, that can be transported to site and connected in. We believe this approach has the potential to reduce connection times to less than one year and drive costs down to below £1m.</p> <p>In addition we will revolutionise the customer experience by providing a visual on line platform that allows customers to input a grid reference and at the click of the button, high level network analysis will be performed and a visual representation of the connection will be provided to the customer. The</p>		

	combination of use of grid reference, automated network analysis and 3D imaging is innovative and presents a number of risks.
Attachments	