

Question No.	Proforma section	NIC Criteria	Topic	Question	Date question asked	Date response required	Date received	Follow up to Question #	Confidential (y/n)
1	2.4	b) Value for money	Predicted Costs	Cost of ██████ for consumer meter logging installation seems high. What is the basis for this cost	25 August 2015	27 August 2015	27/08/2015		
2	5.3	c) Generates new knowledge	Knowledge Dissemination	Both parties are committed to the default IPR position. However, Page 29 details further IPR details. Is this consistent?	25 August 2015	27 August 2015	27/08/2015		
3	5.3	g) Robust methodology/ready to implement	Smart meters	There is a potential risk if consumers do not agree to data logging and smart meter roll out is not complete. SGN have planned to mitigate this through costumer engagement which could prove costly and is not guaranteed to deliver sufficient costumers required for statistical analysis. What is the likelihood / mitigation for this eventuality?	25 August 2015	27 August 2015	27/08/2015		
4	5.3	g) Robust methodology/ready to implement	Project Logistics	The cloud computing provider is an American company based in San Francisco. Have the server locations and security implications been addressed?	25 August 2015	27 August 2015	27/08/2015	24	
5	Appendix 9&10	g) Robust methodology/ready to implement	Benefit Modelling	Are SGN double counting the benefit of leakage reduction that will arise from the repex programme (see app.9 &10 Strood example)	25 August 2015	27 August 2015	27/08/2015		
6	8	g) Robust methodology/ready to implement	Benefit Modelling	In Section 8 Scenario 2 – Installing sensors at street level (p.39). SGN identify disruption that streetworks may cause for installing sensors at street level. Has this been quantified?	25 August 2015	27 August 2015	27/08/2015	20	
7	General	multiple	Benefit Modelling	This project could potentially reduce future operational and capex costs which is noted in section 3.2. The current price control provides several incentivises to do this: <ul style="list-style-type: none"> • Totex incentive, GDNs retain 64% of any underspend • Discretionary reward scheme (DRS) - takes into account the extent to which GDNs have facilitated the connection of distributed gas, including efforts to develop voluntary standards. These are part of the evaluation of DRS submissions. • Environmental emissions incentive (EEI) – incentive to outperform leakage targets (15-20% over GD1) e.g. this can be achieved through better management of av. system pressures. • NTS exit capacity – incentivised to minimise the impact on NTS • Stakeholder engagement as part of the broad measure of customer service. Does SGN consider that the suite of incentives in place during RIIO-GD1 (or potentially for RIIO-GD2) are insufficient to encourage the activities set out in this project?	27 August 2015	02 September 2015	02/09/2015		
8	3.3	a) Enviro+consumer bens	Benefit Modelling	One of the major benefits claimed is a reduction in Nitrogen Ballasting (worth about £325k per year) at GB level. This will also be a potential benefit of other work eg the Oban project. How would you apportion this benefit to what you are doing under this project and why?	27 August 2015	02 September 2015	02/09/2015	21	
9	3.3	a) Enviro+consumer bens	Benefit Modelling	If LNG ballasting was left to one side, what would you describe as the most significant unique benefit and why?	27 August 2015	02 September 2015	02/09/2015		
10	Appendix 1 & Method 1	a) Enviro+consumer bens	Project Logistics	Could SGN explain what an NP40 is?	27 August 2015	02 September 2015	02/09/2015		
11	General	g) Robust methodology/ready to implement	Consumer engagement	Please can you provide additional information on what you will be doing to build consumers’ confidence and trust in the Cloud based IT solution being proposed?	08 September 2015	11 September 2015	11/09/2015		
12	Appendix 4	g) Robust methodology/ready to implement	Project Plan	Please can you clarify the stage gates in your project plan? It would also be helpful to understand the expected spending by each stage gate.	08 September 2015	11 September 2015	16/09/2015		
13	General	a) Enviro+consumer bens	Benefit Modelling	Please could you provide additional information on why this project can deliver substantially more benefits relative to an incremental approach whereby SGN looks to enhance existing models?	08 September 2015	11 September 2015	11/09/2015		
14	General	d) Is innovative	Proof of Innovation	(i) Are you aware of other any of real-time gas network projects in Europe? For example, this publically available paper by PwC on Smart Grids and gas distribution suggests, at a high-level, that there may be some similar projects being explored elsewhere - http://www.pwc.com/us/en/power-and-utilities/publications/smart-gas-distribution-benefits.jhtml (ii) If there is similar work being investigated elsewhere, in what areas do you consider that your project is different in terms of the method being employed and its objectives?	08 September 2015	11 September 2015	11/09/2015		
15	General	b) Value for money	Smart meters	Please could you provide additional information on how the project will allow/enable the integration of smart meter data (i) during the project if available and (ii) after the project.	10 September 2015	14 September 2015	14/09/2015		
16	General	b) Value for money	Smart meters	Is there a risk that any demand modelling could become quickly redundant or outdated once smart meter is available?	10 September 2015	14 September 2015	14/09/2015		
17	5.1 (p27)	a) Enviro+consumer bens	Smart meters	Do you have any view on the materiality of the smart meter benefits that may be forgone if SM data is not available.	10 September 2015	14 September 2015	14/09/2015		

Question No.	Proforma section	NIC Criteria	Topic	Question	Date question asked	Date response required	Date received	Follow up to Question #	Confidential (y/n)
18	2.4 (pg13) &p39	b) Value for money	Smart meters	Some of the challenges of obtaining smart meter data are noted. (i) 'Anonymisation' is noted as a key barrier. Please can you provide further information on this issue? Other NIC projects such as Low Carbon London have been able to use smart meter data - albeit for electricity. (ii) Has the project considered options to try and use any SM during the project if it become available?	10 September 2015	14 September 2015	14/09/2015		
19	p40	g) Robust methodology/ready to implement	Project plan	As well as a customer engagement plan has the project also considered the need for a Data Privacy Plan to be approved by Ofgem?	10 September 2015	14 September 2015	14/09/2015	19	
20	8	g) Robust methodology/ready to implement	Costings	Following on from Q&A 6. Will funding for any additional cost as a result of streetworks come from the NIC funding or as part of totex?	15 September 2015	17 September 2015	17/09/2015		
21	3.3	a) Enviro+consumer bens	Benefit Modelling	Following on from Q&A 8. The response suggests that for the benefits of nitrogen ballasting to realised under Realtime networks, the Oban LCNF project would need to successful. Has the project team considered what would happen if Oban did not deliver the expected findings?	15 September 2015	17 September 2015	17/09/2015		
22	p40	g) Robust methodology/ready to implement	SDRCs	From your answer to the Q&A 19, is your plan to seek Ofgem's approval of the customer engagement and data protection plans by 1 July 2016 as you need it before the completion of WP01 in November 2016? There is no mention of the approval of the customer engagement and data protection plan in SDRC 9.1 or SDRC 9.2 (which relate to WP01). The plan is however, mentioned in SDRC 9.3. Is this correct?	15 September 2015	17 September 2015	17/09/2015		
23	Appendix 1	a) Enviro+consumer bens	Benefit Modelling	Please can you clarify how the benefits in the appendix should be interpreted. Are they the benefits per annum, or the cumulative benefits from the start of the project?	22 September 2015	24 September 2015	24/09/2015		
24	Appendix 3	g) Robust methodology/ready to implement	Data protection	SSL defines encryption between client and server and AES256 defines encryption of data on the server. However, these standards do not relate to the use of the data, how it will be anonymised and the level of access that various parties would have to the data. These should be defined in advance both for data protection and to allow proper engagement with customers about the used of the use of their data.	22 September 2015	24 September 2015	24/09/2015		
25	N/A	d) Is innovative	Proof of Innovation	Please explain why modelling undertaken on other networks (e.g. the Dutch network) cannot be transferred across to the UK (i.e. what about the UK network is so idiosyncratic that it requires its own modelling to be done?)	29 September 2015	02 October 2015	02/10/2015		
26	N/A	g) Robust methodology/ready to implement	Benefit Modelling	With reference to slide 23 of your presentation (increased acceptance of embedded entries), please clarify what the figures in the pie chart and the graph are (e.g. are they cumulative?) and explain how they interact	29 September 2015	02 October 2015	02/10/2015		
27	N/A	g) Robust methodology/ready to implement	Project Logistics	If SGN were to encounter access problems (particularly in the domestic sector), how does it propose to overcome these? What is your plan B? Have you considered offering a modest payment/incentive to help secure agreed access?	29 September 2015	02 October 2015	02/10/2015		
28	N/A	a) Enviro+consumer bens	Renewable Energy Technologies	Please can you look again and provide a more detailed justification of the costs and benefits of WP4. Could much of the benefit be achieved at a lower cost, with a strengthened value for money case?	29 September 2015	02 October 2015	02/10/2015		