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Dear Tom,

Consultation on the proposed modification of Part C of “the Network Innovation Competition” license condition – ‘The Funding Return Mechanism’ in all the licences with the Network Innovation Competition licence condition in force

Thank you for the opportunity to respond to the above consultation.

The regulator’s support for innovation through the various innovation funding mechanisms has enabled the creation and delivery of a continuing successful innovation programme which has achieved substantial financial value which can be returned to customers. These savings were identified in our Well Justified Business Plan.

We continue to apply best practice to delivery of all innovation projects and as a result have achieved savings against the project budgets for our Capacity to Customers¹ and CLASS² projects which were delivered under the Low Carbon Networks Fund. This money will be returned to customers.

It is therefore our view that your proposed license change will ensure customers continue to benefit from any financial savings achieved against NIC project budgets. We also welcome the Authority’s suggestion that sharing of savings amongst other parties who have contributed to the project may also be considered.

We are in agreement with the proposed approach for identification of money generated within NIC projects (that is not Intellectual Property) and returning this to customers and stakeholders thus allowing the relevant project to go ahead with less financial support from the Network Innovation Competition.

Yours sincerely,

Steve Cox
Head of Engineering

¹ <http://www.enwl.co.uk/c2c/>

² <http://www.enwl.co.uk/class>