

*Electricity Network Innovation Competition Full Submission*  
**Supplementary Answer Form**

## Project: Optimise Prime

Tick if this answer has been provided verbally: ☐

Project code	UKPNEN03	Question Number	6
Question date	16/08/2018	Answer date	20/08/2018
Submission section question relates to	Section 2		
Topic	Criteria b) Value for money		
Question	Please explain in more detail Depot Energy Optimisation and Planning tool constitutes a Direct Impact, rather than being one step removed from the distribution system.		
Notes on question	This is a follow up to Question 4. Please note we have tried to contact Ofgem by phone on Friday 17 August to understand more about their question but were unable to contact Neil Copeland. We would welcome a phone conversation if Ofgem require further information.		
Answer	<p>The NIC defines Direct Impact as: <i>"Where the deployment of the Method will cause a measurable change in the operation of the Transmission System or in the operation of the Distribution System in a controllable way."</i> The NIA governance adds the clarification: <i>"Where the Method involves measures that aim to reduce or shift the electrical demand of commercial or domestic Customers, it is deemed to be controllable."</i></p> <p>The Depot Energy Optimisation System and the Site Planning tool are significant parts of our proposed Method 2. Without these two systems, it is not possible to carry out Method 2.</p> <p><u>Depot Energy Optimisation System:</u></p> <ul style="list-style-type: none"><li>• Controls on site assets to <i>reduce or shift electrical demand</i> ensuring the profile of the agreed network connection is not exceeded. This increases the resilience of the distribution network and gives the DNOs confidence that the connectee will not exceed the capacity allocated to them.</li><li>• Allows participation in demand side response activities without disrupting a customer's operations, if it deems it feasible and cost effective. We expect that this will increase participation in flexibility events and therefore increase competition within the market. This</li></ul>		

	<p>should reduce the cost for flexibility services and the deferral of load related reinforcement on the distribution network. The system should also increase the reliability of response, reducing the need for over-procurement.</p> <p><u>Site Planning Tool:</u></p> <ul style="list-style-type: none"> <li>• Optimisation of capacity needs at applied site. Prevents overestimation of capacity needs by the connectee and helps <i>reduce electrical demand of commercial Customers</i>.</li> <li>• Produces an optimal load profile for the site which can be used for requesting a profiled connection by the DNO. The load profile calculated is tailored to the site giving greater confidence to the applying connectee that a profiled connection will sufficiently cover their capacity needs. We expect this would <i>increase acceptability of profiled connection offerings by connecting customers</i>.</li> </ul> <p>Both aforementioned functions of the tool aim to <i>reduce or shift the electrical demand of commercial customers</i> and are therefore Direct Impacts on the distribution system.</p> <p>As such we believe both the Depot Energy Optimisation System and Site Planning Tool have a Direct Impact on the electricity system.</p>
Attachments	