

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	Q22
Question date	13/09/2018	Answer date	17/09/2018
Submission section question relates to	-		
Topic	a) Low carbon/environment and net financial benefits		
Question	Financial and carbon benefits are calculated on the basis of current policy and benefits accrue over about 20 years. How is the potential impact of policy change (Access reform and targeted charging, market-wide half hour settlement) accounted for?		
Notes on question			
Answer	<p>The benefits arising from the Optimise Prime project are calculated against the most efficient method currently in use in accordance with the requirements of the NIC Governance.</p> <p>The Access and Charging consultation is still live and the resulting review will be exploring options for future arrangements to be implemented by 2022. This review will require a good evidence base to inform decisions and shape the future arrangements. This project will contribute to this evidence base to ensure that the benefits are well understood and that future arrangements achieve a positive customer experience.</p> <p>Any future arrangements that are put in place following the Access and Charging review will not negatively affect the benefits of the areas we are exploring in this project. In fact, they are only likely to support delivering these benefits. If the impact of electric vehicles on the network can be minimised, any future arrangements should only improve the way these benefits are passed on to customers.</p> <p>We have noted in our submission that there are risks to the project business case, one of them being the uncertainty around the outcomes of the Access and Charging review. This is why we are seeking innovation funding to prove the business case to ensure we can make best use of the more significant</p>		

	investments of customers' money in construction of additional network infrastructure.
Attachments	