Energy Networks Innovation Process (ENIP)

March 2025

The Voice of the Networks

Document Control

Change History

Version	Change Reference	Description
2.2	Chapter 1	• 1.4 ENA members & logos updated • 1.6 Energy Networks Innovation Strategy updated to 2024 reference & image, new roadmap paragraph • 1.7 NIC funding route removed • 1.9 SNP section revised
	Chapter 2	• 2.2 Document ownership updated to remove GIGG
	Chapter 3	• 3.2 Reference to innovation & networks strategies and Innovation Measurement Framework added • 3.2 New project notification template reference added • 3.3 Reference to innovation & networks strategies added • 3.5 SIF applications updated & Impact Assessment Tool reference added (Appendix G)
	Chapter 4	• 4.0 Full section and image updates
	Chapter 5	• 5.1 Data Assurance Guidance link updated • 5.2 Word "contracted" added to supplier paragraph • 5.3 Figure 5.3 cost thresholds updated • 5.4 Figure 5.4 updated (medium and high requirements) • 5.5 Data Best Practice Guidance link updated • 5.5 Data Assurance Guidance link updated
	Chapter 6	• No change
	Chapter 7	• No change
	Chapter 8	• No change
	Chapter 9	• Appendix A & D minor update. Appendix B replaced with "New Project Notification Template". Missing link added to appendix F. Appendix G added "Consumer Vulnerable Impact Assessment Tool"
	General	• General updates throughout (including gas member references removed, external links, formatting & branding updates)

CONTENTS

1.

Introduction

1. Introduction

1.1 Executive Summary

The Energy Networks Innovation Process (ENIP) provides a guide for stakeholders about electricity network innovation, and the document also includes an explanation of how innovation projects are delivered. This document contains details of the end-to-end industry led process for reporting, collaboration, and dissemination of Ofgem governed innovation projects in GB. Throughout you will find links to important innovation project documentation, as well as the relevant regulatory guidance and information.

1.2 Purpose of this Document

The network innovation process summarised in this document has been presented to Ofgem and external stakeholders, and feedback from these groups has been incorporated. We will continue to develop our approach in collaboration with Ofgem and stakeholders.

The purpose of this document is to:

- Set out the principles and governance of the ENIP

- Detail each step in the end-to-end industry led innovation process

- Increase the reporting transparency, visibility of the innovation process and benefits of innovation

- Explain how new technologies and other innovations are selected and progressed through the innovation process from idea stage to rollout

- Encourage collaboration between electricity networks, with third party innovators and with wider industry innovation schemes

- Facilitate sharing of learning and outputs from innovation, recognising the importance of dissemination and encouraging wider engagement.

The innovation process described herein formally covers NIA (Network Innovation Allowance) and SIF (Strategic Innovation Fund), from project inception through to project rollout, as dictated by their respective governance. The delivery and reporting of Business as Usual (BAU) funded innovation is at the discretion of the relevant electricity network company.

Figure 1.2 – Lawrence Slade FEI – Chief Executive ENA

1. Introduction

1.3 About ENA

Energy Networks Association (ENA) represents the owners and operators of licenses for the transmission and/or distribution of electricity in the UK and Ireland. Our members control and maintain the critical national infrastructure that delivers these vital services into customers' homes and businesses.

ENA's overriding goals are to promote UK and Ireland electricity networks, ensuring our networks are the safest, most reliable, most efficient and sustainable in the world. We influence decision-makers on issues that are important to our members. These include:

- Regulation and the wider representation in UK, Ireland and the rest of Europe

- Cost-efficient engineering services and related businesses for the benefit of members

- Safety, health and environment across the electricity industry

- The development and deployment of smart technology

- Innovation strategy, reporting and collaboration in GB.

As the voice of the electricity networks sector, ENA acts as a strategic focus and channel of communication for the industry. We promote interests and good standing of the industry and provide a forum of discussion among company members.

We undertake a range of innovation activities, and host a range of innovation events and conferences, including our annual innovation conference.

1.4 ENA Members

Figure 1.4 – ENA members

Members of ENA are shown below:

ENA – Energy Network Association

1. Introduction

1.5 Innovation at ENA

Innovation at ENA is governed by an Innovation Steering Group (ISG) and a series of delivery teams to manage projects.

• ISG: Formed by representatives from all electricity networks across Transmission and Distribution, as well as the National Energy System Operator (NESO)

This working group owns this "Electricity Networks Innovation Process" document, including creation, maintenance, updates and associated stakeholder engagement.

ENA's innovation working group ensure successful collaboration to support the delivery of innovation projects, minimise duplication of projects and disseminate and share learning from innovation projects.

This collaboration is not just amongst ENA members but with wider industry innovation across relevant sectors and bodies such as the Energy Systems Catapult (ESC), Energy Innovation Centre (EIC), Innovate UK – UKRI and relevant Government Innovation Teams (Smart Systems, Modernising Energy Data, etc).

ENA and Networks host, attend various meetings and events with a range of different stakeholder groups including Gas networks, NESO, EIC, UKRI, industry trade associations and stakeholders.

ENA support innovation by:

• Create, maintain and update the ENIP (this document)

• Create, maintain and update an industry wide innovation strategy (see section 1.6)

• Disseminate learning from innovation projects publicly. This includes organising the annual innovation conference

• Share learning and outputs of innovation projects

• Explore innovative projects which suit the future needs of the networks

• Operate and maintain the Smarter Networks Portal

• Collaborate and co-ordinate with wider industry innovation initiatives and partners, helping them to get involved in innovation projects across funding streams

• Facilitate collaboration between electricity networks and roll-out of innovation GB-wide
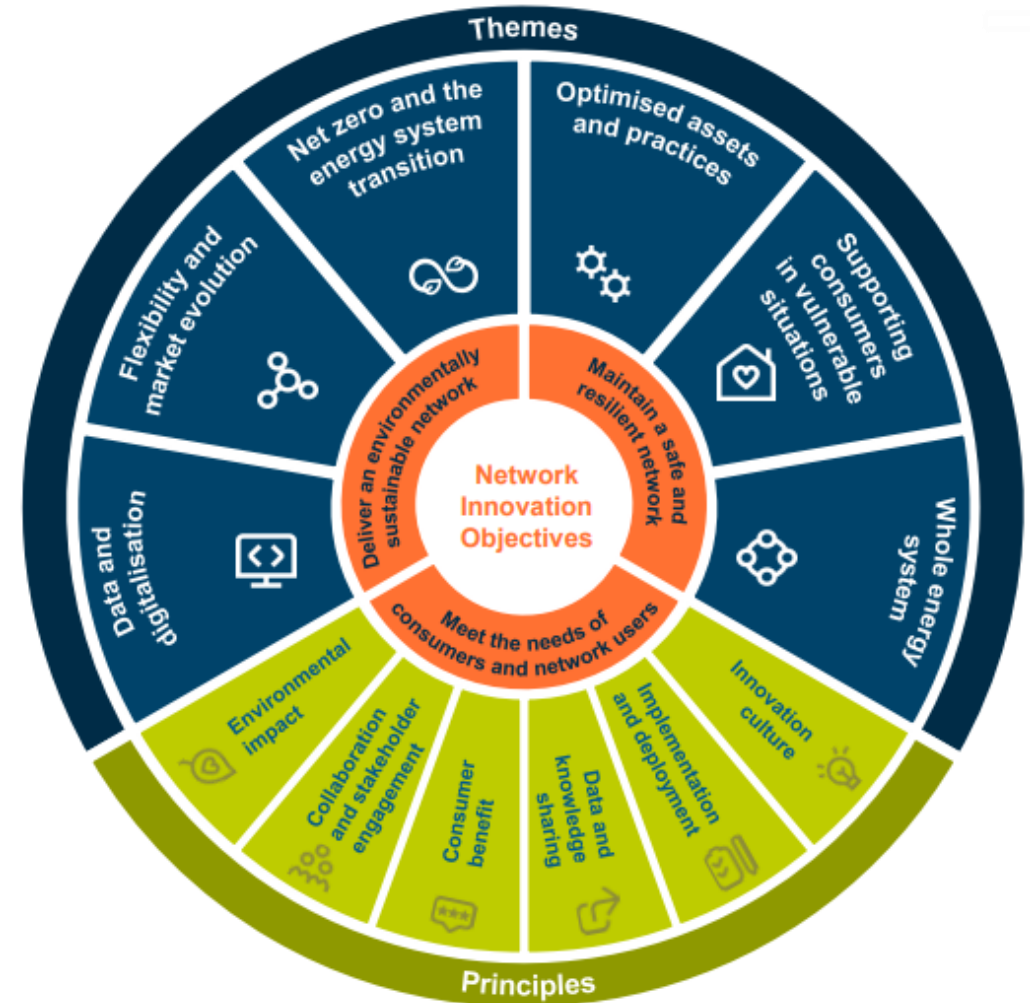
1. Introduction

1.6 Energy Networks Innovation Strategy

The updated Energy Networks Innovation Strategy, published in April 2024, shares its principles and themes across both the gas and electricity networks, moving towards producing a shared strategy for the future. The strategy sets out how energy networks want to work with Innovators on new solutions that can help deliver safe, resilient networks that facilitate the net zero transition and meet the needs of our customers.

The strategy is centred around three overarching network innovation objectives. These are the three consumer-facing outcome categories set by Ofgem that underpin all network innovation activity. The underlying network innovation principles apply to all innovation activity and should be considered at all stages of an innovation project. The shared network innovation themes are the priority innovation areas for all networks and ensure a shared strategic direction. Network innovation projects must fit under one of these themes to ensure they are focused on solving our biggest challenges.

Innovation Strategy Roadmap

The Innovation Strategy is a roadmap for how network operators can innovate to support the net zero transition, tackle potential challenges to the GB's energy security and support customers. We intend this document, and the priorities, themes and principles it contains, to help enable collaboration and shape the sector's efforts over the years ahead. Further details on the networks forward look to meet our interim and 2050 targets can be found here.

Figure 1.6 – The Energy Network Innovation Strategy: Objectives, themes and principles

1. Introduction

1.7 Innovation Funding Available

Ofgem introduces funding mechanisms for innovation as part of the network price controls, the current mechanisms include:

Network Innovation Allowance (NIA)

Ofgem introduced the Network Innovation Allowance as part of RIIO-1 price controls and continued to provide it in the RIIO-2 price controls. The NIA is a set allowance each electricity network receives as part of its price control allowed revenue. The NIA provides limited funding to electricity networks to fund smaller technical, commercial, or operational projects directly related to the licensees' network. The innovation projects should have the potential to deliver financial benefits to the licensee and its customers. This funding will continue for gas and electricity networks companies and the National Energy System Operator for RIIO-3 price controls.

Strategic Innovation Fund (SIF)

As part of RIIO-2 price controls, Ofgem introduced the Strategic Innovation Fund, in replacement of the NIC, to support the transition to net zero. This fund supports large-scale transformational research and development projects. Funding is provided for projects which can address the Innovation Challenge set by Ofgem. The funding rounds are based on a strategic need, as declared by Ofgem, and so there may be multiple or no funding rounds each year. The fund is expected to make £450 million available over the course of RIIO-2.

1.8 Differences between the NIA and the SIF

The networks are funded for NIA projects as part their RIIO price control allowed revenue. The SIF is an additional funding mechanism which network licensees are able to apply for, under a competitive process organised by Innovate UK – UKRI. These projects are focused on achieving net zero and supporting the energy system transition. SIF funding is typically for larger-scale demonstration projects and may involve wider industry participation.

In contrast to the NIA, the SIF adopts a three-stage approach for project funding, namely: Discovery phase (for feasibility studies), Alpha phase (for experimental development) and Beta phase (for building, operating and/or demonstrating).

Ofgem is the decision-maker in relation to the SIF whereas for the NIA innovation funding allocations are made by the networks on the provision that the project meets the eligibility criteria. Innovate UK - UKRI is responsible for delivery of the SIF (administering the funding, monitoring the delivery of projects and supporting third-party innovators), in line with the SIF Governance Document.

1. Introduction

1.9 The Smarter Networks Portal (SNP)

The Energy Networks Association's (ENA) Smarter Networks Portal serves as a centralised hub for regulation-funded innovation projects and their associated outputs, data, knowledge, news, and dissemination events. It's the go-to destination for both historical and ongoing Ofgem-funded innovation projects. Moreover, it acts as a dynamic platform for third-party innovators to propose ground breaking ideas for consideration by Great Britain's electricity network operators.

The Smarter Networks Portal:

•Provides a single location for all Ofgem governed Electricity Innovation Projects in GB

•Provides an overview of the projects, including scope, location, costs, partners and more

•Allows anyone to follow progress and explore outputs of projects

•Promotes communication between Networks and Innovators

•Facilitates innovators to receive calls for ideas and specific requests from Networks

•Provides the opportunity to pitch your innovation ideas directly to ENA and the Network Innovation Managers at any time

•Promotes the sharing of information, including datasets from the output of projects

•Provides weekly email updates on projects, refined by individuals chosen interest areas

The ENA website and the SNP contain:

ENA Innovation Strategy documents	Project Information
Annual Innovation Reports from each electricity network	Annual ENA Innovation Report

A place for third party innovators to propose or pitch new and innovative ideas for electricity networks to consider

SMARTER NETWORKS PORTAL

Your Window to Network Innovation

Smarter Networks Portal is a central repository for regulation-funded innovation projects and associated outputs, data, knowledge, news and dissemination.

2.
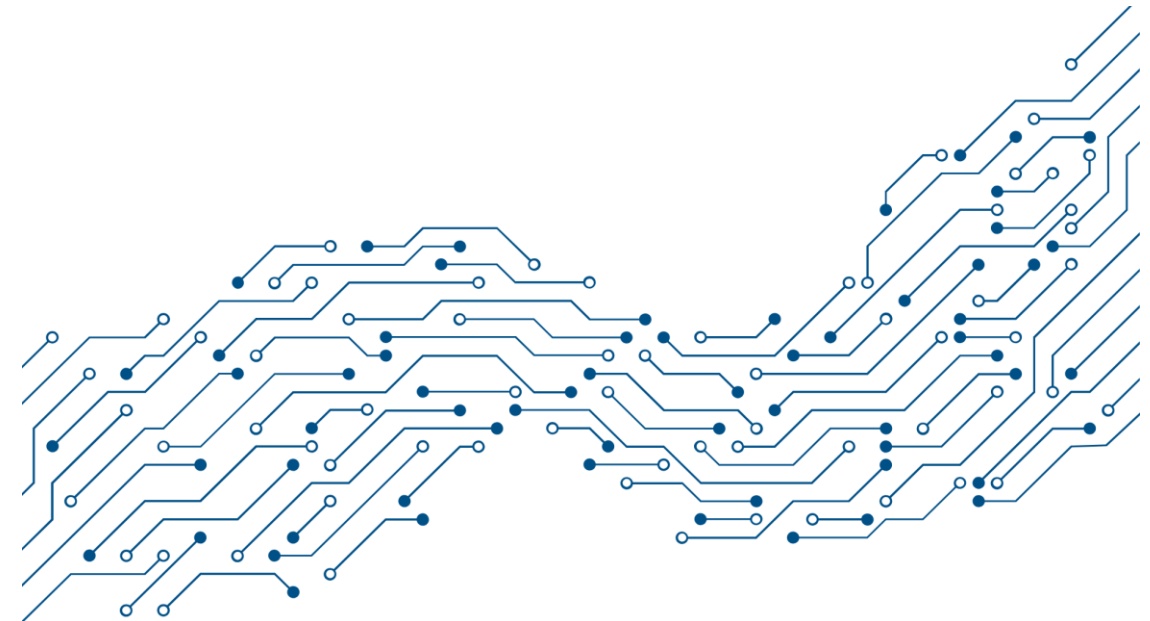
Principles & Governance

2. Principles & Governance

2.1 Principles

The principles of the ENIP are to help ensure that NIA and SIF funded innovation is:

- **Beneficial** – delivering customer benefits, and rolled out where applicable with benefits tracked

- **Accessible** – defining clear routes to funding for third parties with suitable guidance available

- **Transparent** – providing clear public visibility about what is being done in the innovation projects and how they fit together

- **Collaborative** – facilitating collaboration between electricity networks and third parties.

2.2 Ownership and Process

This document will be formally owned and maintained by the ISG and will be aligned with the NIA and SIF Governance Document requirements.

This process will be formally reviewed as required by NIA and SIF Governance and every two years at a minimum, in alternate years from the ENA Innovation Strategy. Smaller evolutionary changes may be made at any time.

Any changes shall be governed by the following process:

- Proposed changes shall be circulated to all electricity networks with clear reasons evidenced by stakeholder feedback or a clear business need

- An ISG meeting shall be called to discuss the proposed changes, rationale and actions.

- All electricity networks shall agree the change, with this captured within the minutes of the meeting. Major updates will be published to stakeholders with an opportunity to provide feedback.

A new version of this document will be published at least every two years, and agreed changes shall be reflected in information contained on the SNP and focus areas from the latest Innovation Strategies. ENA will be responsible for making these changes. Once a change has been agreed, it will apply from the start of the next reporting period (unless clearly stated otherwise).

2.3 Version Control

There will be a strict version control of the ENIP (detailed on page 1) and all associated documents. This will ensure that data and documents can be clearly labelled and tracked.

ENA will be the owner of all the master documents and will store them in a suitable online file sharing platform, accessible to all members, and will retain iterations of any changes to associated documents. New documents will be uploaded to SNP.

Each electricity network will be responsible for retaining copies of their own documents and data.

2.4 NIA and SIF Governance Integration

This document has been delivered as required by the Ofgem NIA and SIF Governance and we will be amending this document in line with any future governance changes.

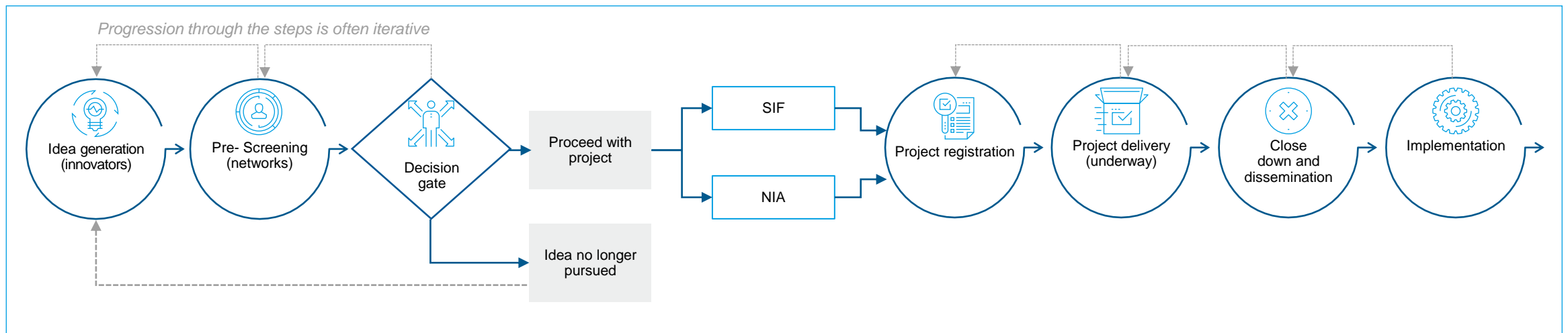# 3.

Project Process (NIA and SIF)

3. Project Process

3.1 Innovation Project Process Overview

Innovation is incremental, iterative and builds on earlier projects, as well as learning within projects. There are various feedback loops in the innovation process (within and between projects), which are essential for sharing of learning from a range of sources and experience, as well as allowing an informed decision on whether to implement solutions. Not all projects will progress from idea generation through to implementation, and the process is often not as linear as the below diagram represents.

The following sections provides the details for the main steps in the process. Grey arrows in the figure below denote feedback loops and represent that this is often not a linear process; progression through the steps is often iterative. Where SIF and NIA projects may differ in process, this is described in the appropriate sections.

Figure 3.1 - Innovation Project Process Overview – Indicative project process (click on the individual stage for more detail)

Progression through the steps is often iterative

Idea generation (innovators) → Pre- Screening (networks) → Decision gate → Proceed with project → SIF / NIA → Project registration → Project delivery (underway) → Close down and dissemination → Implementation

Decision gate → Idea no longer pursued

3. Project Process

3.2 Idea Generation

Idea generation
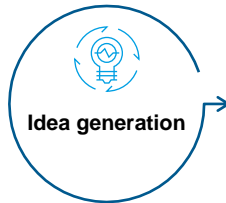
Ideas can be generated from a range of internal and external sources[2]:

- Third party ideas submitted to the ENA SNP - these ideas will be discussed at the next ISG working group meeting following which a formal decision response will be sent by ENA on behalf of the electricity networks

- Third party ideas submitted directly to an electricity network – each electricity network has different processes for accepting third party ideas; some issue calls, some are open for ideas at any time, some work with intermediaries (e.g. EIC). It is recommended that the third party contacts the relevant electricity network to understand how to submit ideas which may be relevant to them

- ENA led call for ideas – this is currently an annual call looking for innovative ideas or solutions to the challenges set out by the electricity networks. The proposed solutions will be discussed at ISG working group where an agreed formal decision response will be sent by ENA on behalf of the electricity networks

- Electricity network internally sourced ideas - these ideas are normally generated in response to a business need

- Follow on work from other projects. This will be of particular importance for SIF projects progressing from one stage to the next

- Co-created ideas across multiple project partners where synergies are identified

- Ideas shared and discussed at ISG

- SIF innovation challenges, as issued by Ofgem, which set the strategic direction for funding applications.

Ideas submitted to the SNP will be logged centrally at ENA. Ideas received through electricity networks will be logged by their own organisation and reported in their individual Innovation Benefits tables (see Section 6).

The evaluation of an idea varies between electricity networks and can be based on a range of criteria including, but not limited to: meeting the challenges set out in the Energy Networks Innovation Strategy and/or the individual electricity network's strategy, value for money, compliance with NIA Governance Documents, capability to implement, funding availability. Historically, the proportion of ideas developed into a project has been 10 - 25%, which is measured in the Innovation Measurement Framework.

Prior to the development of the draft Project Eligibility Assessment (PEA), project details will be shared as a New Project Notification[1] amongst the electricity networks and discussed at the ISG working group. The electricity networks take this opportunity to challenge eligibility of projects, check for any duplicated ideas and collaboration opportunities, note that until the project is formally registered on the portal all discussions regarding the ideas are confidential. The information to be shared and the timing is detailed in Section 6.4.

SIF project idea generation will differ from the process and idea sources described above, due to the funding rounds being initiated by an 'Innovation Challenge', as set by Ofgem. Ideas will need to meet the Innovation Challenge-specific requirements, as well as the required project scope and project partner conditions. Section 3.5 provides more detail on how the SIF application will differ, based on the three phase approach.

Note:
[1] Project discussed early amongst other electricity networks at ISG working groups, via a New Project Notification Template – Appendix B, to promote collaboration and avoid duplication.
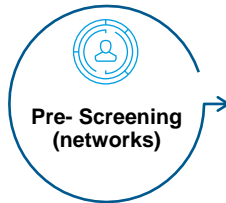
[2] Ideas logged centrally at ENA and in individual ENA Innovation Measurement Framework Tables.
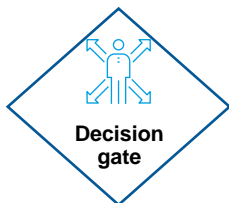
3. Project Process

3.3 Pre-screening

Pre- Screening (networks)

Electricity networks will undertake pre-screening triage to ensure that the idea addresses network challenges as set out in the Energy Networks Innovation Strategy and/or the individual electricity network's strategy and identify the correct funding mechanism for the innovation. This will consist of checking that the NIA or SIF eligibility criteria can be met, as defined in the respective Governance documents and any other relevant requirements.

3.4 Decision gate

Decision gate

Electricity networks will follow internal processes for approvals to reach a decision on progressing with the project and funding. This may involve pitching the project to internal groups and decision makers. Not all ideas are approved at this stage. If the idea is not taken forward at this stage then that will mark the end of the process and feedback will be provided.

3.5 Project Registration

Project registration

NIA applications
Ideas to be taken forward as NIA projects will then be registered on the SNP by the relevant electricity network. The electricity network will complete and upload the Project Eligibility Assessment form (PEA), see Appendix A.

Once the project has been registered on the SNP, an automatic 10 working day review period will be triggered. This provides the opportunity for a more detailed peer review to be undertaken to check for idea duplication and compliance with governance requirements.

As these ideas have been discussed at the ISG working group during the previous stage, the majority of the projects pass through this stage.The newly registered project will be presented again at the ISG working group for any further discussion.

SIF applications
Where a network decides to proceed with a SIF project, an application is then made to access funding. Depending on the idea's maturity, there are three phases that can be applied for with an increasing amount of funding made available; Discovery, Alpha and Beta.

- *Discovery*: suitable for feasibility studies. Focused on defining the problem and the value in solving the problem.

- *Alpha*: for experimental development, whereby solutions for that problem prepared and tested with stakeholders or in a desktop or virtual environment.

- *Beta*: this phase focuses on the demonstration and trialing of solutions within operating networks.

Projects can progress from one stage to the next, but at each stage a new funding bid is required and is distinctly evaluated by UKRI and OFGEM. It is possible to apply directly to later funding stages. There are three application windows for SIF applications each year in February, June and October.

| INTRODUCTION | PRINCIPLES & GOVERNANCE | PROJECT PROCESS | STAKEHOLDER ENGAGEMENT | QUALITY ASSURANCE OF INNOVATION PROJECTS | INNOVATION MEASUREMENT FRAMEWORK (IMF) | REPORTING & DISSEMINATION | INTELLECTUAL PROPERTY (IP GUIDE) | APPENDICES |

3. Project Process

3.5 Project Registration (cont.)

More detail on the three phase approach for project funding can be found in the SIF governance document. Further information on the application process for each phase is set out in the Innovation Challenge Documentation and the Innovate UK – UKRI portal is used for applications.

Assessing the impact of innovation upon consumers in vulnerable situations

Under Ofgem's NIA Governance for RIIO-2, licensees must include an assessment of the impact of the project method(s) and solution(s) on consumers in vulnerable situations in the PEA.

Electricity networks follow Ofgem's approach to define consumers in vulnerable situations, as set out in its Consumer Vulnerability Strategy 2025. Electricity networks assess every NIA project to identify any potential technical, financial and well-being related impact, using a consistent Impact Assessment Tool – Appendix G to assess positive or negative impact on consumers in vulnerable situations. The aim of the tool is to deliver better outcomes for vulnerable customers in the transition to net zero, by identifying potential risks and barriers to success and suggesting mitigations at an early stage of the project.

3.6 Project Delivery

Project delivery (underway)

Once a project has been registered, and contracts agreed, it will progress into the delivery phase. The relevant electricity network will conduct appropriate stage gate or phase reviews in line with their internal governance requirements.

Reporting of each project is carried out in line with the requirements in Section 7. This will include annual public reporting (as required per project and Ofgem guidance).

Electricity networks may provide further details and more frequent updates of their projects on their websites and through events or their social media.

3. Project Process

3.7 Closedown

Close down and dissemination

As projects close out, electricity networks will follow their internal governance processes to carry out reviews, including internal quality assurance checks. These verify the project outcomes against the agreed success criteria and objectives, including whether the solution is appropriate and can progress to implementation.

Reporting and dissemination of project conclusions are carried out in line with the requirements in Section 7. Reporting is on an individual project and portfolio basis, all available on the SNP, including:

- Formal project Closedown Report, including final CBA with net benefits statement

- Electricity Network Annual Innovation Reports, including the Innovation Measurement Framework (IMF).

At the end of a project, the project learning, including recommended next steps may be shared with the other electricity networks and will be available on the SNP. This provides the opportunity for all to understand the outcome and start the process of deploying the successful solution into BAU or to give an early opportunity to work collaboratively on any follow up project. The information to be shared and the timing is detailed in Section 7. The method and audience for dissemination will be appropriate to the project (e.g. webinar, media, event etc).

All electricity networks commit to reviewing relevant project closedown reports to determine whether they can deploy solutions within their businesses. Any BAU deployment of solutions will be recorded as part of the Innovation Measurement Framework (IMF) – see Section 6.

3.8 Implementation
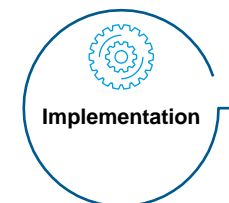
Implementation

There are a number of possible outcomes at the end of a project:

01 **Solutions are implemented by one or more electricity network**

Where the benefits of a solution lead to a sound technical solution and a positive business case, then the relevant electricity network should, where appropriate, roll it out to their BAU (or move to the next phase under SIF). BAU rollout is not eligible for NIA or SIF funding and is funded by individual networks, not innovation funding. Implementation rollout will happen within electricity networks and across networks. Any BAU deployment of solutions will be recorded as part of the Innovation Measurement Framework (IMF) – see Section 6.

Although each electricity network has their own process, the rollout is likely to involve changes to internal policy, processes and procedures, new procurement contracts, and training of relevant staff. This can take time, and open procurement may be required to comply with the Procurement Act (2023). Please discuss the process with the relevant electricity network if you have questions.

Some projects focused around research or data gathering and analysis will be used to inform policy and decision making by the electricity networks. Often these are used to inform UK and international government policy relating to relevant topic areas such as the economic transition to net zero.

Reporting of Benefits from Projects

Results of rollout will be monitored against the project closedown Cost Benefit Analysis (CBA). A summary of the actual solutions deployed and the benefits delivered by each electricity network will be reported annually as part of the Innovation Measurement Framework – see Section 6.

3. Project Process

3.8 Implementation (cont.)

02 **Solutions that are proven technically but not ready for roll out**

Many innovation projects develop technically sound solutions which are not able to be rolled out at the close of the project. This is usually either due to a dependency on another product, solution or system, or due to the solution business case not being viable at the time.

For example, a new development may have to wait for an internal IT system upgrade before the electricity network can carry out the integration work required to deploy it.

In some cases, however, solutions are developed to be ready for external changes such as mass adoption of electric vehicles or smart meters. In this case the solution is held by the electricity network until the uptake of these technologies is of sufficient scale to warrant the deployment of the innovative solution.

03 **Solutions not yet ready for roll out (Technology Readiness Level (TRL) 2-7)**

For many projects taking a step up the TRL level the output of one project requires further innovation before it can be transitioned to BAU. This can include a further development or demonstration of the solution before it is ready for rollout. Not all innovation is suitable for implementation; lessons learned are continually shared between Networks and further projects may be required to increase TRL on complex subjects.

04 **No further action – proved not technically or commercially viable**

Not all projects complete successfully or deliver a solution that can be implemented. This can be due to technical, practical or commercial reasons which manifest during the development or trial of the solution. It can also become apparent during the project that the solution will be more expensive to deploy than alternative products or practices.

In these cases, the electricity network will close down the project as soon as it is clear that no further valuable learning is to be gained and the lessons learned will be shared with other electricity networks.

4.

Stakeholder Engagement

4. Stakeholder Engagement

4.1 Purpose of this section

Stakeholder engagement describes the approach that electricity networks undertake to inform, listen to, involve, and collaborate with a broad range of stakeholders. This section outlines the overarching approach to stakeholder engagement and the different methods used by the electricity networks to ensure that stakeholders are meaningfully involved in innovation. Stakeholder engagement is instrumental to the production of new ideas, sharing of knowledge, and the avoidance of duplication. Specifically, this section covers:

- Our stakeholders
- Our approach to stakeholder engagement
- How we communicate with stakeholders
- Knowledge dissemination
- Independent stakeholder surveys.

4.2 Our stakeholders

An electricity network stakeholder is any individual, group or organisation that has an interest in the future of our energy system. This includes:
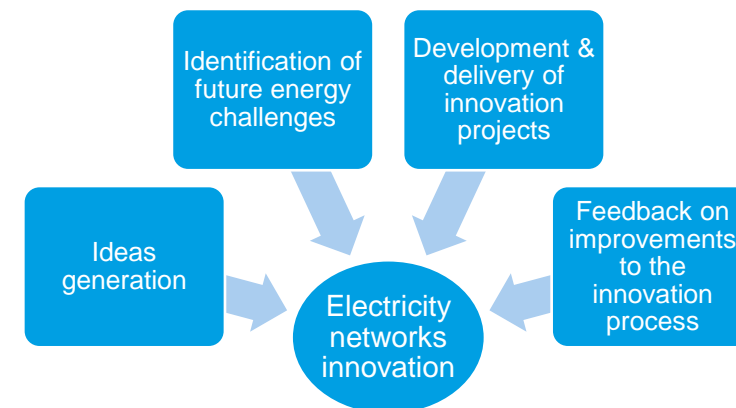
Figure 4.2 - Electricity network stakeholders
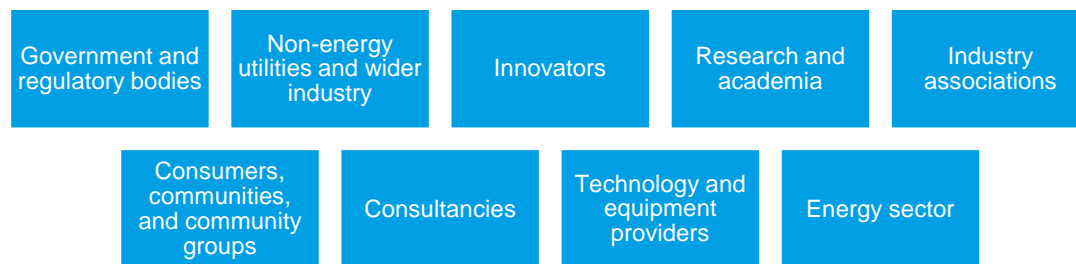
4.3 Our approach to stakeholder engagement

Electricity networks follow a collective approach to deliver collaborative engagement that ensures stakeholders have a strong voice and a clear role in the innovation process. Specifically, the areas of focus are:

- **Effective communication** of the strategic challenges facing the industry and the opportunities for stakeholders to get involved in electricity networks innovation
- Ideas generation, meaningful **collaboration**, and delivery of innovation projects, with electricity networks working closely with stakeholders
- Multiple channels for **stakeholder feedback**, which is embedded and systemically reviewed in the electricity networks governance structure (for example, the industry working groups), to drive positive change to the electricity networks innovation process
- Visible and transparent **reporting** of innovation portfolios across the electricity industry
- **Knowledge dissemination** and clear communication of the outcomes and benefits of innovation that has been delivered.

Stakeholders play a crucial role in the success of electricity networks innovation, including:

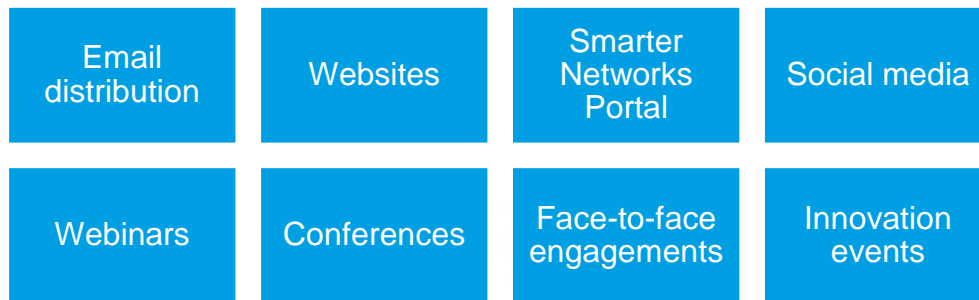*Figure 4.3 - Role of stakeholders in electricity networks innovation:*

4. Stakeholder Engagement

4.4 Communicating with stakeholders

The electricity networks communicate with stakeholders using multiple channels, including:

Figure 4.4 - Stakeholder communication channels

Email distribution	Websites	Smarter Networks Portal	Social media
Webinars	Conferences	Face-to-face engagements	Innovation events

The electricity networks deliver the following stakeholder events spread throughout the year on an annual basis:

- Energy Innovation Basecamp
- Energy Innovation Forum
- Energy Innovation Summit

4.5 Knowledge dissemination

Key to the success of innovation is the dissemination of outcomes of innovation projects and shared learning. The electricity networks achieve this by using the communication channels listed above and publish individual project reports along with dedicated annual innovation summary reports, which are available on the ENA website.

4.6 Independent stakeholder surveys

Electricity networks undertake periodic surveys to seek the views of stakeholders relating to key areas including innovation themes, the pace of innovation, experiences with the electricity networks, and the innovation process itself. Surveys are delivered by an independent consultant with research expertise. Feedback is then shared with the electricity networks and working groups to:

- Shape innovation themes
- Set strategic actions
- Revise and update the ENA Innovation Strategy and this ENIP document
- Identify key areas for further stakeholder consultation and development.

5.

Quality Assurance of Innovation Projects

5. Quality Assurance of Innovation Projects

5.1 Introduction

The RIIO-2 framework has introduced new Quality Assurance (QA) requirements for all electricity networks that use NIA funding for innovation projects. They require electricity networks to undertake processes and QA activities to reduce and manage the risk of any inaccurate or incomplete reporting of project information.

In the early stages of development, the electricity networks will consider whether the processes are adequately supported, resourced and managed and that opportunities and risks are identified by electricity networks and Ofgem. Any future changes to this document will be made in accordance with Section 2.2.

This chapter details the QA measures that are being developed to test the robustness of research undertaken using NIA funding. It provides guidance of a structured process of assessing project quality risk and defines methodologies for managing those risks using the principles of the Data Assurance Guidance for Electricity and Gas Network Companies.

Electricity networks are required to follow common rules and principles around Data and Measurement Quality. In the event that Ofgem considers that the project does not comply with the requirements of the Governance Document, it will explain why and ask the electricity network to resubmit necessary documentation. If Ofgem considers that the resubmitted information still does not comply with the Governance Document, Ofgem retains the right to examine project processes and may reduce the electricity network's revenue by an amount up to the level of funding allowed for the project using the mechanism set out in the NIA Licence Conditions.

Electricity networks that use SIF for innovation projects will be subject to the Quality Assurance (QA) requirements set out by Innovate UK - UKRI, through the competitive process. SIF projects are required to comply with the SIF Licence Condition, the SIF Governance Document, Innovation Challenge Documentation (by Ofgem and Innovate UK - UKRI) and the relevant SIF Project Direction.

5.2 A Common Risk Assessment Methodology

To ensure a consistent approach in assessing the quality of projects, electricity networks have developed a common risk assessment methodology. This assesses different project parameters and converts them into a risk score using the categories shown, based on the initial principles set out in this section.

The categories chosen represent a balance of the impact and the probability of the risk, presenting a compiled score for risk. These will be reviewed and the thresholds revised by electricity networks with input from Ofgem for future issues.

- **Technology Readiness Level (TRL) change:** The number of TRL steps covered within the project, i.e. the difference between the start and finish TRLs of the project. A greater number of steps in one project brings a higher likelihood that something will not go according to plan along the way

- **Cost:** The higher the cost of a project, the higher the impact should anything not go to plan. Note that the aim is to sufficiently cover the portion of value of the NIA portfolio with cost rather than the volume of projects

- **Number of suppliers:** A project bringing a higher number of contracted suppliers together carries a higher risk of interactions causing problems within the project. This does not include partnering electricity networks or intermediaries such as EIC

- **Data:** This measures the understanding of the data to be gathered in the project and the assumptions involved. This provides a measure of the likelihood of issues associated with the gathering and assessment of data within the project.

Innovation projects by their nature involve a level of risk-taking to develop new products, solutions or discover new findings that address identified challenges and problems. This type of risk-taking should not be confused with the risks associated in this section, that examines the robustness of the methodology to develop and capture the results from the project and enable learning to be disseminated to other electricity networks and third parties.

5. Quality Assurance of Innovation Projects

5.3 A Common Risk Assessment Methodology (cont.)

The following table sets out the categories and risk thresholds which will be used for risk assessment. Scores will be assigned based on the risk assessed in each category. These individual risk scores will be added together to produce a cumulative risk score for the project.

Figure 5.3 – Risk Thresholds

Risk Threshold			
Category	**High (Score 3)**	**Medium (Score 2)**	**Low (Score 1)**
TRL change	6	3-5	1-2
Cost	> £2m	£1m - £2m	< £1m
Number of suppliers (based on direct agreements)	5+	3-4	0-2
Data	Assumptions unknown to be explored and validated within project	Assumptions known but will be defined within project	Defined assumptions & principles

5.4 Review and Reporting Requirements

Each electricity network is expected to assess the overall risk for each NIA and SIF project before, during and at project close. For all projects, the quality assurance activities are informed by the results of the risk assessment. The assessment should be made for each individual NIA and SIF project registered, and as part of any change control process within a project.

The rules will be based on the principle that a higher risk score should result in a stronger level of quality assurance activity to be applied to a project.

High risk projects will require greater attention on risk identification and risk mitigation planning.

Figure 5.4 – Review and Reporting Requirements

Score	Assessed Risk Score	Assurance approach	Requirements
4-6	Low (L)	Internal assurance	As set out in NIA/SIF Governance and ENIP
7-9	Medium (M)	Internal assurance & peer review	Medium risk projects may seek a peer review by other networks, when needed, to identify risks and review mitigation plans. This ensures that deliverables and outcomes meet project objectives. Risks and mitigation measures will be outlined in the project PEA, with findings documented in progress and completion reports.
10-12	High (H)	Internal assurance & external experts	High-risk projects may require external expertise where internal technical capabilities are insufficient to ensure robust quality assurance. These reviews focus on identifying risks, evaluating mitigation plans, and ensuring that outcomes and deliverables meet project objectives. Risks and mitigation measures will be outlined in the project PEA, with findings documented in progress and completion reports. Additionally, a summary of innovation activities, including key achievements is published annually at the portfolio level. This ensures a continuous focus on value delivery, accountability, and knowledge sharing across the networks.

5. Quality Assurance of Innovation Projects

5.4 Review and Reporting Requirements (cont.)

If necessary, the electricity network will select sufficient low risk projects each year for peer or external expert review to ensure that:

- At least 10% of their projects that year have had either peer or external expert review, and

- At least one project has been subject to external expert review.

External expert reviews are to be conducted by a third party, subject to the identification of suitable qualifications.

The peer or external expert review will consider how the project has been managed against the processes set out in ENIP, and a common approach for this will be developed. Electricity networks will publish the outcome and any observations, improvements or significant revisions that become evident from the completed assessments. For each project, the electricity network will also use its' own internal review and governance processes.

In some circumstances, it may be necessary to revise the project closedown report and these shall be published on the SNP.

5.5 Data Quality & Measurement Quality Statements

For each NIA project, the electricity network will set out in the Project Eligibility Assessment (PEA, see Section 3.5) the approach which it will take to manage and measure data quality. The requirements for a Data Quality Statement and Measurement Quality Statement are set out in the NIA Governance Document.

01 Data Quality Statement

A data quality statement demonstrates that the project partners:

a) Make a plan for milestones in the project where data sources need to be created / obtained, associated, merged or consumed

b) Ensure data (raw and processed) is of sufficient completeness, accuracy and integrity, not only for their current project, but for future projects and users that might benefit from data reuse

c) Consider how to define, format, structure, and associate their data so that it is easily accessed, consumed and usable (interoperable) for all stakeholders who might find data access useful

d) Address aspects connected with data sensitivities, such as personally identifiable information (GDPR), intellectual property, etc. and

e) Follow good practice and relevant standards associated with aspects a-d.

An example data quality statement can be found in Appendix F, which represents good practice for completing data quality statements.

02 Measurement Quality Statement

Within the 'Method' section of the PEA, the electricity network will set out the measurement approach used to meet Data Quality objectives.

This will include the procedures and techniques used, and mechanisms to ensure traceability, reliability and comparability of results.

Further guidance on data and measurement quality can be found in Ofgem's Data Best Practice Guidance, as well as Ofgem's Data Assurance Guidance.

6.

Innovation Measurement Framework (IMF)

6. Innovation Measurement Framework (IMF)

6.1 Introduction

The IMF contains a benefit tracking methodology which enables fair and consistent assessment of innovation projects. It is used by the electricity networks to report on a broad range of innovation outcomes and benefits from projects, including collaboration and partnerships, the speed at which successful innovation is transitioned into BAU and the benefits innovation has delivered for network customers.

The IMF covers the following elements:

- The balanced scorecard: The measures to be reported against and where they sit within the innovation framework. This may also be a useful reference for idea generation, as well as other project stages

- The benefit tables: An excel spreadsheet which includes the following:

  - *Definitions and Guidance:* The definition of each data point to be captured and guidance on how to complete the Idea, Project and BAU logs

  - *Idea log:* a record of all innovation ideas received

  - *Project log*: a record of all innovation projects

  - *BAU log:* a record of innovation which has been transitioned into BAU

- The external stakeholder survey: A survey to be conducted by the ENA on behalf of all electricity networks.

The reported outcomes from the IMF are published annually by each electricity network and provide stakeholders with a transparent, accurate and comparable representation of the benefits of investing in network innovation. Reports are published on the SNP. Data processing documentation from the networks will not be published.

By 31 October each year, electricity networks will publish a collective summary of NIA and SIF activities.

6.2 Governance

In addition to the process governance detailed in Section 2, ISG working group will:

- Manage information sharing to validate that data captured within the benefits tables is consistent

- Manage the annual stakeholder survey

- Ensure reporting is coordinated

- Ensure individual performance feeds into the overall ENA annual innovation report

- Ensure the relevant detail is available on the SNP

- Ensure any changes to the framework can be implemented efficiently and with the agreement of all parties.

6. Innovation Measurement Framework (IMF)

6.3 The Balanced Scorecard

Figure 6.3 shows the agreed Balanced Scorecard which will be produced by electricity networks to demonstrate their innovation portfolio.

Figure 6.3 – The Balanced Scorecard

<table>
<tr><td rowspan="11">Higher level enablers of innovation</td><td colspan="4">1. A clear innovation strategy linked to what consumers and stakeholders value</td></tr>
<tr><td>Strategy & Vision (SV)</td><td>A strategy is in place – link to LNO strategy</td><td>Innovation projects are seeking to deliver benefits in areas which consumers/stakeholders value (optional)</td><td>The extent to which innovation trials align with the ENA strategy</td></tr>
<tr><td>Organisation & Culture (OC)</td><td>Number of collaborators involved in innovation projects (including breakdown or partner types)</td><td>2. A culture of innovation
• External survey
• Internal survey (optional)
• Average time taken to progress an idea through to trial
• Number of FTEs working on innovation projects
• % of network company funding in innovation projects
• % of trials based on external ideas/suggestions</td><td>3. A culture of adopting learning from others
• % of successful innovations from other companies implemented as BAU (fast follow)</td></tr>
<tr><td>Capability & Technology (CT)</td><td>Number of innovative ideas</td><td>4. Focus of TRLs
• Heat map illustrating where the % of projects and % of spend sit across TRLs</td><td>5. Speed at which proven innovation is deployed
• Average time taken to deploy TRL 8 projects</td></tr>
<tr><td>Results & Outcomes (RO)</td><td>Percentage of innovation ideas taken forward to projects</td><td>6. Forecasting and tracking project benefits
• Level of RIIO-2 committed benefits
• Tracked net benefits delivered
• 5 of TRL6-8 projects which conclude with a positive CBA
• Number of projects with negative CBA failed fast
• % of TRL 2-6 projects which lead to another project</td><td>7. % of projects moved into BAU
• % of completed TRL 8 projects moved into BAU</td></tr>
<tr><td>Initiation & Evaluation (ideas – I)</td><td colspan="2">Demonstration, Iteration & Learning (trials – T)</td><td>Deployment & Optimisations (build – B)</td></tr>
<tr><td colspan="4">Progression of innovation over time</td></tr>
</table>

6.4 Benefits Tables

Data Entry Sheets

To enable population of the above framework, a set of data entry sheets has been produced and agreed. Please refer to Appendix D – Benefits Table. Completed data entry sheets will not be published.

Validating Data for the Benefits Tables

To ensure consistent reporting of data, the electricity networks will share data for some key items captured in the benefit tables. This will provide peer review and scrutiny on the information captured under the IMF. The following sections detail what information will be shared and when.

Project Registration

When an electricity network is considering registering a new project, they shall share a description of the project and the following information from the project log with all other electricity networks. The following items should be included in the Benefits Tables:

• *Project Name*
• *Project Precursor* – any idea or previous project which is to be included as the primary project precursor
• *TRL and Project type* – the technology readiness level (TRL) at the start of the project and the categorisation of the project e.g. Research, Demonstration
• *Alignment to ENA strategy themes* – the assessment of the project against the ENA strategy themes and the primary theme to which the project is linked.

The project description should contain sufficient detail for other electricity networks to understand the problem which the project is seeking to solve, and the solution or method being trialled. In addition, a high-level assessment of areas of where the solution being trialled can deliver net benefits shall be provided. A full CBA is not required at this stage but an understanding of any anticipated benefits which might be delivered if the project was successful and solution rolled out.

6. Innovation Measurement Framework (IMF)

NIA and SIF Project Benefits Guide

Electricity networks use consistent methodologies to estimate the net benefit if the project is successful. This may include non-financial benefits (such as environmental benefits, social benefits, or carbon cost) that can have financial value assigned under approved methodologies, as set out in NIA Governance. ENA has published the NIA Project Benefits Guide, approved by Ofgem, which will be updated in line with RIIO-2 NIA Governance Document.

The Guide uses pre-determined values from Government publications[1]. The Guide provides graded ranges of non-financial benefits, as well as worked examples. Research projects (TRL 1-3) are excluded from having to quantify benefits.

Benefits estimation for projects funded through the SIF will also need to account for the requirements of the innovation challenge, as set by Innovate UK - UKRI.

Project Closedown

At the end of a project, the following data fields from the project log shall be shared with electricity networks:

- Recommended next steps: any recommended next steps, i.e. leading to another project, moving to the next SIF phase, move to BAU, no action (positive outcome), no action (negative CBA)

- Forecast net benefits (project end): the final CBA used to assess the benefits of the innovation.

It is recommended that this information be shared at least one month prior to uploading the closedown details on the SNP and discussed at the ISG working group to allow other electricity networks to raise comments/questions.

Solution Roll Out

The electricity networks shall share the information captured within the BAU log with its sector to provide visibility of the innovative solutions being rolled out.

Where it is known, this information shall be shared at least one month prior to uploading the closedown details on the SNP and shall be discussed at ISG working groups to allow other electricity networks to raise comments/questions.

Cost Benefit Analysis (CBA)

As part of the benefits tables, a CBA for the project and/or solution shall be carried out. As projects and their benefits can vary widely, using a common CBA template has limitations. However, common principles in setting up CBAs and the treatment of costs and benefits can help to track projects in a consistent manner.

Note:
[1] RIIO-2 CBA model

6. Innovation Measurement Framework (IMF)

6.5 The External Stakeholder Survey

One of the measures within the reporting framework is an external stakeholder survey; to receive feedback on experiences of working with electricity networks across the spectrum of innovation activities.

The survey will be issued by ENA annually, in time for the results to be used in the annual reporting, using questions agreed by the electricity networks, it may be combined with engagement around revisions to ENIP and the Energy Network Innovation Strategies. The survey is an important way of facilitating learning and knowledge dissemination and encourages working collaboratively and constructively with stakeholders.

Stakeholders identified on the projects or registered on the SNP will receive information about the survey and will be able to respond on a per sector basis if they wish.

The results of the survey will be sent by ENA to all the electricity networks to be included in the following annual reports:

01 ENA overview and annual report: aggregate results for all electricity networks

02 Individual network reporting: the results for the relevant electricity network

6.6 Reporting against the Framework

The reporting against this framework shall be in line with the requirements in Section 7.

7.

Reporting & Dissemination

7. Reporting & Dissemination

7.1 NIA Individual Project Reporting

Annual Progress Updates (Reports)

Whilst projects are live, an annual progress report for each financial year shall be included as part of the Electricity Network Innovation report – see Section 7.3. This shall highlight any key learning to date to provide an early opportunity for other electricity networks to build into their projects or BAU processes.

Closedown Reports

Following completion of a project, a formal closedown project report, including CBA with forecast benefits shall be produced. A template is available in Appendix C(ii).

If necessary, this report can be supplemented with a further detailed report.

The closedown and any associated reports shall be published on the SNP by 31 July each year following completion of the project.

7.2 SIF Individual Project Reporting

In-Project Phase reporting

In the Discovery Phase of a project, the network may be required to deliver a webinar, open to all stakeholders. During the Alpha Phase of a project, the network must publish progress on its project, outlining the progress and key learning to date. During the Beta Phase of delivery, the network must publish an annual progress report, outlining the key learning and the future direction for the Project. In addition to this, the network must provide an audited schedule of all the memorandum account transactions.

End of Phase reporting

At the end of each Project Phase, findings must be presented at a public show and tell webinar, with an opportunity for questions from interested stakeholders. Where the project is not progressing to the next phase, an end of Project Phase report to Ofgem and Innovate UK – UKRI is required. End of phase reporting aims to facilitate learning and knowledge dissemination.

The specific reporting requirements at the end of each stage are specified in the SIF Governance document. Innovation Challenge-specific reporting requirements may be set out in the Innovation Challenge Documentation and in the SIF Project Direction. All reporting must be published on the SNP.

7.3 Electricity Network Innovation Report

All electricity networks will produce an annual innovation report for each regulatory year which meets the minimum requirements set out in Ofgem's NIA Governance Document. At present, the Guidance requires that each document includes:

- Summarise the progress of the electricity network's NIA activities over the regulatory year
- Summarise how the NIA activities link to that Electricity Network's Innovation Strategy (see Section 1.6)
- Demonstrate that the electricity network has taken forward a balanced NIA project portfolio that spans a range of Methods and Solutions
- Summarise all ongoing or planned projects for future regulatory years
- Highlight areas of significant new learning
- Be approved by the senior person responsible for implementing RIIO-2 NIA Projects.

These innovation reports will be published on the SNP by 31 July each year, and include network innovation benefits tables.

7. Reporting & Dissemination

7.4 ENA Industry Wide Innovation Report

The Electricity Networks Annual Innovation reports will be aggregated into an ENA industry wide Annual Innovation Report, which will include a cumulative innovation benefits table and implementation log.

This aggregated report will be published on the SNP by 31 October each year.

7.5 Reporting requirements for innovators

Ofgem determines regulatory reporting requirements, this will include information provided from innovators. Innovators are expected to provide information to support reporting, in line with the NIA and SIF Governance requirements.

7.6 Dissemination

In addition to the formal reporting, there are opportunities for further dissemination of learning. Dissemination can occur both during and following completion of the project, and is undertaken both amongst ENA members and direct stakeholders, as well as with wider industry sectors and bodies. Timely and wide dissemination is important to ensure that outcomes are shared in a way which maximises the benefit for customers.

Annual Innovation Conference

Each year, electricity networks undertake an annual innovation conference. The conference is a platform for electricity networks to disseminate knowledge relating to the innovation projects that have been completed and are in progress. The annual conference presents the electricity networks with an opportunity to speak directly with stakeholders, to understand the issues that are important to them, how they want to engage and to further create opportunities for innovation projects. The annual conference is a joint event which enables collaboration to ensure that maximum value can be derived from projects as a direct result of open engagement and the understanding of stakeholder challenges.

ENA Energy Innovation Forum

The ENA hold public Energy Innovation Forums several times per year. These events are normally based around a theme with presentations on a range of projects from across the electricity networks. As part of these events a stakeholder survey is conducted to understand areas of interest for future events.

Individual Dissemination Opportunities

Electricity networks carry out various individual dissemination activities including:

One day events to disseminate the portfolio	Webinars on individual projects or parts of projects	Articles in trade magazines	Social Media

In addition to the above, electricity networks will normally publish information on their innovation portfolio on their company website and / or social media channels.

7.7 Requesting Project Information

In addition to the information and data shared under the processes described in this section, third parties can request project information from the lead network. The electricity network will set out Data Access Details as part of the Project Registration (see Appendix A), and the SNP contact form provides a common, traceable mechanism to enable requests. Through the form, stakeholders can request data on network innovation in general or specific projects.

8.

Intellectual Property (IP) Guide

8. Intellectual Property (IP) Guide

8.1 Intellectual Property Rights (IPR) for SIF and NIA projects

We recognise that clear protection of intellectual property (IP) is important for innovators. The electricity networks sector is different to many sectors in that the industry seeks to secure innovation for the largest number of customers that can benefit from that innovation, while maintaining the relevant IP protection for innovators. As a result of Ofgem's expectation for electricity networks to collaborate with each other and third parties on projects as project partners, we manage IP slightly differently to other industries. The management of IPR for NIA and SIF projects is subject to Section 7 and Section 9 of Ofgem's respective NIA and SIF Governance Documents. IP terms are specified in the contract with the network that innovators work with and therefore it is important to be familiar with these terms.

The primary objectives of the NIA and SIF Governance Document with respect to the treatment of IPR are to:

• Ensure that electricity networks can disseminate knowledge generated by each innovation project to other electricity networks

• Protect customers against paying excessively for products or approaches (for which they have contributed to the cost of development by providing NIA or SIF funding).

The Governance Documents set out the expected ownership and licence conditions with respect to the IPR created through a NIA or SIF funded project. The commercial terms, to protect customer monies, are more open to electricity networks to consider what is appropriate.

In all cases there is a requirement to provide other electricity networks access to IPR with which the project must comply. Other electricity networks must be able to use Relevant Foreground IPR (generated during a project, which is needed by other electricity networks to implement the method/processes being developed) within their system royalty free, but background IPR (generated prior to project commencement) is retained by the innovator. More details on what constitutes acceptable positions regarding ownership of IP are set out in the respective Governance Documents.

Once agreed for a NIA or SIF project, the IPR arrangements cannot be changed without written approval from Ofgem.

Ofgem monitors compliance with the NIA and SIF Governance requirements through different channels (for example auditing and Requests for Information from the electricity networks). Compliance with the governance document is a condition of their licence. Ofgem may halt a project at any time and may disallow expenditure or require funds be returned to customers.

8.2 Reporting of Information

In line with NIA and SIF Governance, certain information regarding a project must be published. This includes learnings from the project and data which must be publicised on the SNP. This is required to assist other electricity networks as they assess if they want to take a licence of the Relevant Foreground IPR, and to assist consumers by sharing benefits from projects more widely.

As a minimum the following information must be published on the SNP:

• As part of project registration information (see also Appendix A), details of Relevant Foreground IPR which is expected to be generated in the project. If applicable, this must also explain if Background IPR will be required to use the Relevant Foreground IPR

• By each 31st July, project progress information for the project (which will set out learnings), including the final project progress information following the project's completion. This must include sufficient details of the Foreground IPR to enable others to identify if they need to use it.

Information can be "de-sensitised" as necessary for example to remove commercially sensitive information. As such, no confidential information is to be disclosed on the ENA Smarter Networks Portal. However, if a licence to use a party's Background IPR is required to use the Relevant Foreground IPR, then that detail must be clearly stated.

The detail published in the SNP is then referenced in the electricity network's annual summary of NIA activity, as set out in in Section 7 of this document.

Consumption and network data is to be shared and open to all by default, unless it can be demonstrated that it is not in the consumers' interests to do so or where prevented from doing so by legal or contractual reasons.

8. Intellectual Property (IP) Guide

8.3 Intellectual Property Rights (IPR) Case Studies

The tables below are examples of how IPR ownership may work under a NIA or SIF innovation project. Example 1 is intended to reflect a research innovation project. Example 2 concerns the development of new software, which the network will use (the innovator is providing software to the network). Note that these examples are to aid understanding, and IPR will differ on a case by case basis.

Example 1 – Research project

Deliverable	Party or Parties Providing	Type of IPR in accordance with Ofgem Governance Documents	Jointly Owned Foreground IPR (Yes or No)	Commercial Product (Yes or No)[1]
Pre-existing equipment / research	Innovator	Background	No	No
Innovator modifications to equipment / asset	Innovator	Foreground	No	Yes
Pre-existing network operation and system	The network	Background	No	No
Modifications to networks operation and system	The network/ innovator	Foreground	No	No
Results for final report / demonstration [2]	The network/ innovator	Foreground [2]	Yes – jointly owned	No

Example 2 – Software project

Deliverable	Party or Parties Providing	Type of IPR in accordance with Ofgem Governance Documents (Background, Relevant Background, Foreground IPR or Relevant Foreground IPR)	Jointly Owned Foreground IPR (Yes or No; if Yes identify Parties)	Commercial Product (Yes or No)[1]
Pre-existing software system	Innovator	Relevant Background	No	Yes
Innovator modifications to software system	Innovator	Foreground	No	Yes
Pre-existing Network connections	The network	Relevant Background	No	No
Modifications to Network's connections	The network / innovator	Relevant Foreground	No	No
Method for software development [2]	ALL (as necessary)	Relevant Foreground [2]	Yes – The Network, engineering company, consulting company and software company	No
Pre-existing platform	Software company	Relevant Background	No	Yes
Innovator modifications to pre-existing platform	Software company	Foreground	No	Yes
Software integration	Software company	Foreground	No	Yes

Note:

[1] Something can only be a Commercial Product if it has Background IPR included. Foreground IPR that arises in relation to such a Commercial Product is not deemed Relevant Foreground IPR. However, these Commercial Products still need to be made available by the licensor to other network licensees after the end of the project.

[2] This is new IPR created entirely by the method/results being developed for the innovation project, which could not be created without that doing. The material learnings obtained are to be freely disseminated as knowledge transfer to other network licensees sufficient to allow them to reproduce the method/results being developed into business as usual.

9.

Appendices

9. Appendices

A [PEA Form](#)

B [New Project Notification Template](#)

C (i) [Annual Project Progress Report](#)
      (ii) [Project Closedown Report](#)

D [Benefits Tables](#)

E [ENA Annual Innovation Report](#)

F [Quality Statement Example](#)

G [Consumer Vulnerable Impact Assessment Tool](#)