Notes on Completion: Please refer to the appropriate NIA Governance Document to assist in the completion of this form. The full completed submission should not exceed 6 pages in total.

NIA Project Registration and PEA Document

Date of Submission

Mar 2013

Project Reference Number

2011_ 01

Project Registration

Project Title

Smart Analytics

Project Reference Number

2011_ 01

Project Licensee(s)

Scottish and Southern Electricity Networks Distribution

Project Start

April 2005

Project Duration

5 years and 0 months

Nominated Project Contact(s)

SSEN Future Networks Team

Project Budget

£120,000.00

Summary

Understanding data is critical for today's modern businesses. In the early 2000s, the retail sector began to change the way they sold produce from simply having items on their shelves, to tailor and target individual shoppers with specific offerings.

The introduction of store cards gave access to specific buying habits of individuals, with consumers happy to provide this data in return for points, discounts, or offers on relevant products. Similarly, the rise of Google has been founded on understanding the specific needs and wants of its consumers, by monitoring and acting upon data received, whether it be through its search engines or software.

Again, consumers, are happy for the organisations to use this data, as we get a direct benefit by way of free software to organise our life.

It is a parallel that can be drawn to many customer-facing organisations. To operate, it requires an understanding that consumers are different, and need to be grouped to a much finer degree than they have in the past.

Nominated Contact Email Address(es)

fnp.pmo@sse.com

Problem Being Solved

Method(s)

Scope

Objective(s)

By taking statistical techniques developed for the retail sector and applying them to electricity, it may be possible to more accurately forecast demand in a system design, network planning and pseudo real-time manner. Ultimately this could provide evidence to change

design policy and release additional network head room. Thereby optimising investment plans with a more granular and targeted approach to reinforcement.

The project is split into four key tasks:

- Task 1 The characterisation of domestic demand
- Task 2 The forecasting of demand (for network planning purposes)
- Task 3 The development of adaptive forecasts (for network operational purposes)
- Task 4 The development of control algorithms for pseudo-real time operations.

The outcomes of the project will be fed into the Thames Valley Vision (TVV) Tier 2 Low Carbon Network Fund (LCNF) project. Ultimately it is envisaged that the output of this will facilitate the development of new DNO specific policies and UK wide engineering standards.

Consumer Vulnerability Impact Assessment (RIIO-2 Projects Only)

n/a

Success Criteria

n/a

Project Partners and External Funding

n/a

Potential for New Learning

n/a

Scale of Project

n/a

Geographical Area

Revenue Allowed for the RIIO Settlement

Indicative Total NIA Project Expenditure

Project Eligibility Assessment Part 1

There are slightly differing requirements for RIIO-1 and RIIO-2 NIA projects. This is noted in each case, with the requirement numbers listed for both where they differ (shown as RIIO-2 / RIIO-1).

Requirement 1

Facilitate the energy system transition and/or benefit consumers in vulnerable situations (Please complete sections 3.1.1 and 3.1.2 for RIIO-2 projects only)

Please answer **at least one** of the following:

How the Project has the potential to facilitate the energy system transition:

n/a

How the Project has potential to benefit consumer in vulnerable situations:

n/a

Requirement 2 / 2b

Has the potential to deliver net benefits to consumers

Project must have the potential to deliver a Solution that delivers a net benefit to consumers of the Gas Transporter and/or Electricity Transmission or Electricity Distribution licensee, as the context requires. This could include delivering a Solution at a lower cost than the most efficient Method currently in use on the GB Gas Transportation System, the Gas Transporter's and/or Electricity Transmission or Electricity Distribution licensee's network, or wider benefits, such as social or environmental.

Please provide an estimate of the saving if the Problem is solved (RIIO-1 projects only)

n/a

Please provide a calculation of the expected benefits the Solution

n/a

Please provide an estimate of how replicable the Method is across GB

n/a

Please provide an outline of the costs of rolling out the Method across GB.

n/a

Requirement 3 / 1

Involve Research, Development or Demonstration

A RIIO-1 NIA Project must have the potential to have a Direct Impact on a Network Licensee's network or the operations of the System Operator and involve the Research, Development, or Demonstration of at least one of the following (please tick which applies):

☐ A specific piece of new (i.e. unproven in GB, or where a method has been trialled outside GB the Network Licensee must justify repeating it as part of a project) equipment (including control and communications system software).

☐ A specific novel arrangement or application of existing licensee equipment (including control and/or communications systems and/or software)

☐ A specific novel operational practice directly related to the operation of the Network Licensees system

☐ A specific novel commercial arrangement

RIIO-2 Projects

☐ A specific piece of new equipment (including monitoring, control and communications systems and software)

☐ A specific piece of new technology (including analysis and modelling systems or software), in relation to which the Method is

unproven

☐ A new methodology (including the identification of specific new procedures or techniques used to identify, select, process, and analyse information)

☐ A specific novel arrangement or application of existing gas transportation, electricity transmission or electricity distribution equipment, technology or methodology

☐ A specific novel operational practice directly related to the operation of the GB Gas Transportation System, electricity transmission or electricity distribution

☐ A specific novel commercial arrangement

Specific Requirements 4 / 2a

Please explain how the learning that will be generated could be used by the relevant Network Licensees

n/a

Or, please describe what specific challenge identified in the Network Licensee's innovation strategy that is being addressed by the project (RIIO-1 only)

n/a

☐ Has the Potential to Develop Learning That Can be Applied by all Relevant Network Licensees

Is the default IPR position being applied?

☐ Yes

Please demonstrate how the learning from the project can be successfully disseminated to Network Licensees and other interested parties.

Please describe how many potential constraints or costs caused, or resulting from the imposed IPR arrangements.<

Please justify why the proposed IPR arrangements provide value for money for customers.

Project Eligibility Assessment Part 2

Not lead to unnecessary duplication

A Project must not lead to unnecessary duplication of any other Project, including but not limited to IFI, LCNF, NIA, NIC or SIF projects already registered, being carried out or completed.

Please demonstrate below that no unnecessary duplication will occur as a result of the Project.

n/a

If applicable, justify why you are undertaking a Project similar to those being carried out by any other Network Licensees.

n/a

Additional Governance And Document Upload

Please identify why the project is innovative and has not been tried before

n/a

Relevant Foreground IPR

n/a

Data Access Details

n/a

Please identify why the Network Licensees will not fund the project as apart of it's business and usual activities

n/a

Please identify why the project can only be undertaken with the support of the NIA, including reference to the specific risks(e.g. commercial, technical, operational or regulatory) associated with the project

n/a

This project has been approved by a senior member of staff

☑ Yes