

NIA Project Registration and PEA Document

Date of Submission

Dec 2015

Project Reference Number

NGGTGN03

Project Registration

Project Title

Project CLoCC - Customer Low Cost Connections

Project Reference Number

NGGTGN03

Project Licensee(s)

National Gas Transmission PLC

Project Start

February 2016

Project Duration

2 years and 9 months

Nominated Project Contact(s)

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Project Budget

£5,433,820.00

Summary

Project CLoCC aims to minimise the cost and time of connections to the National Transmission System (NTS), with particular focus on unconventional gas connections. This will be achieved through fundamentally challenging every aspect of the connection process, building on worldwide 'best in class' technology and practice.

Nominated Contact Email Address(es)

Box.GT.Innovation@nationalgrid.com

Problem Being Solved

Method(s)

Scope

Project CLoCC was fully mobilised in February 2016 following receipt of its Ofgem Direction in December 2015 (Appendix A). During the project National Grid (NG) has partnered and been collaborating with three Small Medium Enterprises (SMEs) to develop new connection options for customers to connect onto the National Transmission System. has been collaborating with three Small Medium Enterprises (SMEs) to develop new connection options for customers to connect onto the National Transmission System.

The project's main aims were to consider how to reduce both the time and cost of connecting to the NTS by challenging every aspect of the current connection process and designing and developing solutions to support these goals further.

The original project scope outlined that in order to consider the core objectives identified above 3 key areas would be focussed on in

unison:

1. Creating an online connections platform to facilitate the customer experience. The goal of this workstream was to consider what elements of the current Application to Offer (A2O) process (a National Grid procedure specified within the Uniform Network Code) could be supported by development of an online gas customer connections portal and what functionality would be most beneficial to potential future customers.

2. Innovative physical connection solutions tailored to the needs of non-traditional NTS gas connections at high pressure. This workstream was tasked with completing a global technology watch, developing conceptual designs and conducting field trials of the proposed engineering connection solution(s).

3. Optimising commercial processes to meet the requirements of non-traditional NTS gas customers. Considering areas such as payment terms, fees and contract optimisation.

Objective(s)

The project looks to develop a connection service that facilitates the unconventional gas connections market; specifically connection costs of below £1m and with duration of less than one year.

Consumer Vulnerability Impact Assessment (RIIO-2 Projects Only)

n/a

Success Criteria

- Development of gas customer connections portal to streamline Application to Offer process
- New indicative cost estimate and mapping functionality – new to the connection process
- Online status information, information transparency
- Development of approved standardised connection designs in a variety of pipework sizes
- Technical guidance documentation
- Development of existing site database
- Development of pre-populated Conceptual Design Studies (CDS)
- Detailed Design
- Enhancement designs for use by customer, on customer site
- Uniform Network Code change 0627s (non-ROV)
- Uniform Network Code change 0628s (reduced route through PARCA if eligible)
- Uniform Network Code change 0629s (new connection category – Standard Design)
- Gas quality – Gas Ten Year Statement updated (oxygen consideration)
- Successfully built, installed and tested connection solution standard designs

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