

Southern Gas Networks Plc
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Date: 29 June 2023

Dear Southern Gas Networks Plc,

SIF Project Direction ref:

SGN/Predictive Safety Interventions/SIFDataDigitalisation/Rd1 Beta

Southern Gas Networks Plc submitted Predictive Safety Interventions (the Project) to be considered for funding through the Beta Phase of the Strategic Innovation Fund (SIF). As explained in greater detail below, this Project previously received SIF Funding and completed a Discovery Phase and Alpha Phase for round 1 of the SIF. In our¹ SIF funding decision which is finalised and will be issued on 18 July 2023, we selected the Project² for conditional funding and as a result we are now issuing this SIF Project Direction to implement that decision.

Southern Gas Networks Plc must comply with the conditions contained in this SIF Project Direction as a condition of the Project receiving funding through the SIF. These conditions can be found in the Schedule to this document.

Progression through SIF Phases

The SIF consists of a multi-phase approach for Projects in order to mitigate the risk associated with innovations. The Discovery Phase focuses on feasibility, the Alpha Phase on experimental development, and the Beta Phase on deployment and demonstration.

The Project previously received SIF Funding for the Discovery Phase³ and Alpha Phase⁴ of round 1, and submitted an Application for the Project to be considered for SIF Funding

¹ The terms 'we', 'us', 'our' refer to the Gas and Electricity Markets Authority. Ofgem is the office of the Authority.

² Unless otherwise specified, defined terms in this SIF Project Direction have the meaning given to them in Appendix 1 of the SIF Governance Document.

³ The Project Directions for round 1 of the Discovery Phase are available at:
<https://www.ofgem.gov.uk/publications/strategic-innovation-fund-discovery-projects-approved-funding>.

⁴ The Project Directions for round 1 of the Alpha Phase are available at:
<https://www.ofgem.gov.uk/publications/strategic-innovation-fund-round-1-alpha-projects-approved-funding>.

through the Beta Phase of round 1 of the SIF. As stated above, the Project has been selected to receive SIF Funding for the Beta Phase of round 1.

Role of UK Research & Innovation (UKRI)

As per Chapter 1 of the SIF Governance Document⁵ the role of UKRI is to deliver the SIF in line with the SIF Governance Document - administering the funding programme, monitoring the delivery of Projects, collating data from Projects on benefits, making recommendations to Ofgem on operational matters, supporting third-party innovators and, where possible, successful Projects to become 'business as usual' activities. To support the success of the Projects and the SIF programme, we expect that the Funding Party and Project Partners collaborate with Ofgem and UKRI.

SIF Project Direction

Paragraph 5.14 of the SIF Governance Document states that a SIF Project Direction will:

- Set out the Project-specific conditions, to which the Funding Party is committing in accepting SIF Funding.⁶
- Require the Funding Party to undertake the Project in accordance with the commitments made in the Application. Where appropriate, the SIF Project Direction may therefore include extracts from the Application or refer to specific sections of the SIF Application.⁷
- Where applicable, set out conditions (such as Project stage gates) linked to milestones and deliverables, which Projects must meet.⁸
- Set out the SIF Approved Amount for the Project, that will form part of the calculation contained in the SIF Funding Direction issued by the Authority under chapter 7 of the SIF Governance Document.⁹
- Set out the Project budget that the Funding Party must report against and how variations in the Project budget will be reported.¹⁰
- Where applicable, set out special information sharing requirements applicable to the Project.¹¹
- Set out the mechanism for the Funding Party receiving the SIF Approved Amount as set out in the SIF Funding Direction.¹²

⁵ <https://www.ofgem.gov.uk/publications/sif-governance-document>

⁶ 'Project specific conditions' detailed under Point 3 – 'Condition President' of this SIF Project Direction.

⁷ 'Project specific conditions' detailed under Point 3 – 'Condition President' of this SIF Project Direction.

⁸ 'Project specific conditions' detailed under Point 3 – 'Condition President' of this SIF Project Direction.

⁹ 'SIF Funding Amount' detailed under Point 5 – 'Condition President' of this SIF Project Direction.

¹⁰ 'Annex 1 – Project Budget.

¹¹ 'Project specific conditions' detailed under Point 3 – 'Condition President' of this SIF Project Direction.

¹² 'SIF Funding Amount' detailed under Point 5 – 'Condition President' of this SIF Project Direction.

All SIF Project Direction requirements are detailed in the Schedule to this SIF Project Direction.

Decision

Provided the Funding Party complies with the SIF Governance Document and with the Schedule to this SIF Project Direction, the Project is deemed to be an Eligible SIF Project¹³.

This SIF Project Direction constitutes notice pursuant to section 38A (Reasons for decisions) of the Gas Act 1986.

Marzia Zafar

Deputy Director, Decentralisation & Digitalisation

For and on behalf of the Authority

¹³ The meaning 'Eligible SIF Project' is described in Chapter 2 of the SIF Governance Document.

Schedule to SIF Project Direction

1. PROJECT DETAILS

SIF Project Direction reference:

SGN/Predictive_Safety_Interventions/SIFDataDigitalisation/Rd1_Beta

Application number: 10068173

Project title: Predictive Safety Interventions

Innovation Challenge/Project Phase: Data and digitalisation / Beta Phase round 1

Project start date: 01 July 2023

Project end date: 31 December 2024

SIF Approved Amount for SIF Funding: £1,078,258.00

2. PREAMBLE

This SIF Project Direction is issued by the Gas and Electricity Markets Authority (the "Authority") to Southern Gas Networks Plc (the "Funding Party") pursuant to the SIF Governance Document issued pursuant to Special Condition 9.13 of the Gas Transporter Licence (the "Licence"). It sets out the conditions to be complied with in relation to Predictive Safety Interventions (the "Project") as a condition of it being funded under the SIF Funding Mechanism.¹⁴

Unless otherwise specified, defined terms in this SIF Project Direction have the meaning given to them in the Licence or Appendix 1 of the SIF Governance Document.

References to specific sections of the Funding Party's Application in this SIF Project Direction are, for ease of reference, made by referring to the section number in the Funding Party's Application.

3. PROJECT SPECIFIC CONDITIONS

In accepting funding for the Project, the Funding Party is subject to the following Project-specific condition(s):

Condition 1

The Funding Party must not spend any SIF Funding until contracts are signed with the Project Partners named in Table 1 for the purpose of completing the Project.

¹⁴ The SIF Funding Return Mechanism is defined in the SIF Governance Document.

Table 1. Project Partners

FYLD LIMITED
CADENT GAS LIMITED
NORTHERN GAS NETWORKS LIMITED
NATIONAL GAS TRANSMISSION PLC

Condition 2 – Financial contribution

The Funding Party must report on the financial contributions made to the Project as set out in its Application. Any financial contributions made over and above that stated in its Application should also be reported and included within the Project costs template.

Condition 3 – Meeting arrangements

The Funding Party must participate in all meetings related to the Project that they are invited to by Ofgem, UKRI and DESNZ during and after the Beta Phase.

Condition 4 – Stage gate scoping

The Funding Party must, with support from Innovate UK/UKRI and, where applicable Ofgem, scope the requirements and success criteria for each stage gate within a Project at the quarterly reporting meetings ahead of any stage gate. These will be used to determine what criteria a Project must meet in order to pass a stage gate, and whether any additional information, such as a report, must be produced as part of the stage gate.

Condition 5 – Dissemination of annual progress report(s)

Each of the annual progress reports that the Funding Party publishes in the Beta Phase must, at a minimum, be uploaded to the ENA's Smarter Networks Portal. We also strongly encourage wider dissemination of the annual progress report(s) and support from all Project Partners in ensuring it reaches a wide audience.

Condition 6 – Impact monitoring

As part of the end of Project Phase report, the Funding Party must produce a Project Impact Monitoring and Evaluation Plan. This plan must outline how the Project plans to monitor and evaluate the delivery of benefits outlined in the Beta Phase Application following the end of the Beta Phase. The plan must also include the methodology that will be utilised for quantifying and qualifying benefits realisation and how the Funding Party plans to report this to Ofgem 1, 3, 5 & 10 years post-Beta Phase completion. Further details on how to approach the development of this plan may be provided by Ofgem or IUK.

Condition 7 – SIF Community Forums

The Funding Party and all Project Partners must make reasonable attempts to attend, participate and/or contribute at SIF Community Forum events occurring during the Project delivery. We anticipate there being approximately one event per year.

Condition 8 – Policy, regulatory and standards barriers

The Funding Party must provide verbal updates at each quarterly meeting on any regulatory, policy and standards barriers and any change requirements which may impact delivery of the Beta Phase activities. The Funding Party must also include as an attachment to each of its annual progress report an update on any regulatory, policy and standards barriers which may require derogations and articulation of any proposed regulatory, policy and standards changes which would be necessary in deployment. The Funding Party must also provide as an attachment to its end of Project Phase report a summary of the Project's findings on regulatory, policy and standards barriers, including any considerations for future work, and where applicable, where specific regulatory, policy and standards changes would be required for deployment.

Condition 9 – Updated 60-second videos

The Funding Party must provide within the first three months of the Project beginning (i.e. by 1 October 2023) an updated 60-second video. If the Project is greater than two years (longer than 24 months) in length, an updated video must also be provided at the Project's mid-point meeting. All Projects must also provide an updated 60-second video as part of their end of Project phase report. Innovate UK can share its guidance for 60-second videos with the Funding Party, if necessary.

Condition 10 – Post-Beta Phase roadmap

The Funding Party must provide updates to the monitoring officer where applicable during the quarterly monitoring meetings a roadmap for activities post-Beta Phase. This can build on the Project's Application question (question 11) and must focus on how and when the proposed solution will become business as usual within your network and across the other GB gas or electricity networks.

As part of this, the Funding Party must include consideration for:

- I. any steps the Project will take to ensure its innovation has suitable business as usual adoption;

- II. the Funding Party's strategy for adoption of the innovation or proposed solution, giving consideration to potential investment, ongoing costs and third-party involvement and;
- III. any early indication of interest from other networks in adopting the innovation.

The Funding Party must provide an update on all the above at every two quarterly monitoring meetings (i.e. every six months) and must include a final update of this roadmap as attachment to its end of Project Phase report.

Condition 11 – Commercialisation strategy

The Funding Party must provide updates to the monitoring officer where applicable during the quarterly monitoring meetings an update on its commercialisation strategy. This can build on the Project's Application question (question 12) and must focus on what considerations have the Project consortium made for the commercialisation of the proposed solution or innovation, and how the Project provides support for non-network partners to move towards commercialisation. As part of this, the Funding Party may wish to include consideration for:

- I. who the primary customer segment is beyond the Funding Party; the customer value proposition;
- II. if identified, the outline of the route to market and potential new partnerships;
- III. any additional Project Partner capital requirements in order to commercialize the innovation and;
- IV. how this product, process or service could be scaled across the GB network and taken to new markets.

The Funding Party must also include a final update of its strategy as an attachment to its end of Project Phase report. Ofgem and/or Innovate UK may issue a template for the final update as part of the end of Project Phase report.

Condition 12 - Data Best Practice and Digital Strategy and Action Plan Guidance alignment

The Funding Party must provide at its second monitoring meeting a summary of how it intends to comply with Ofgem's Data Best Practice Guidance, and Digitalisation Strategy and Action Plan Guidance. Additionally, a part of its year 1 annual progress report, the Funding Party must provide a written update to the monitoring officer on its incorporation and application of data best practices to date in the Project, including its presumed open data policies, and data triaging methodology.

Condition 13

The Funding Party must provide to its monitoring officer at its second monitoring meeting a summary of how it will address the data ethics around the voice tone, pitch and fatigue recognition and comply with Ofgem's Data Best Practice and Digitalisation Strategy and Action Plan Guidance when the data is processed.

Condition 14

The Funding Party must have regular engagement with the Trade Unions to discuss any impact the project may have on employees. This engagement with the Trade Unions must specifically consider the roll out of the voice tone, pitch and fatigue recognition components, as well as how the data will be processed. The Funding Party must provide updates to the monitoring officer where applicable during the quarterly monitoring meetings.

Condition 15

Prior to progressing to any trials, the Funding Party must provide a presentation, with involvement from the Trade Union(s) involved as stakeholders in the Project, demonstrating the Project's approach to data and data ethics to date, and how these will inform the long term approach to the gathering, use and storage of employee data.

4. COMPLIANCE

The Funding Party must comply with Special Condition 9.13 of the Gas Transporter Licence (the "Licence"), the SIF Governance Document and with this SIF Project Direction.

5. SIF APPROVED AMOUNT

The SIF Approved amount of £1,078,258.00 (as detailed under Section 1: Project details of this Project Direction) will be recovered by National Gas Transmission from GB customers and transferred to the Funding Party. The Funding Party is responsible for notifying National Gas Transmission of the bank account details to which transfers must be made, in addition to completing Annex 2 of this SIF Project Direction. If a Funding Party is required to return funding to National Gas Transmission, the reverse applies. The Funding Party must provide bank account details to National Gas Transmission within two weeks of accepting this SIF Project Direction.

6. PROJECT BUDGET

The Project Budget is set out in Annex 1 of this SIF Project Direction.

The Funding Party must report on expenditure against each line under the category total in the Project Budget and explain any projected variance against each line as part of its detailed report which will be provided, in accordance with Chapter 7 of the SIF Governance Document. The Funding Party must report variations in the Project budget as outlined in Chapter 6 of the SIF Governance Document.

7. PROJECT IMPLEMENTATION

The Funding Party must undertake the Project in accordance with the commitments it has made in the Application and with the conditions of this SIF Project Direction. These include (but are not limited to) the following:

- (i) undertake the Project in accordance with its Application,
- (ii) complete the Project on or before the Project completion date as detailed under section 1 of the schedule of this SIF Project Direction, and
- (iii) disseminate the learning from the Project at least to the level described in chapter 3 of the SIF Governance Document. Dissemination of learning must be carried out whether the Project was concluded successfully or otherwise.

8. REPORTING

Ofgem and UKRI may issue guidance (and amend it from time to time) about the structure and content of the Project reporting required by Chapter 6 of the SIF Governance Document. The Funding Party must follow this guidance in preparing the reports.

The Funding Party must submit an end of Project Phase report to UKRI monitoring officers for the Beta Phase. Within this report, the Funding Party must submit information related to questions on Project delivery as detailed in chapter 6, table 6 of the SIF Governance Document.

9. MONITORING

The Funding Party must comply with any reasonable request for information by its monitoring officer at UKRI and related deadlines. Ofgem, with the support of UKRI, will together monitor Project delivery, impacts and benefits. Throughout the term of the Project, progress is monitored by UKRI through a monitoring officer. The monitoring officer is the first point of contact for official notifications, queries and correspondence with UKRI and the Authority, unless otherwise required by this SIF Project Direction.

As detailed in Chapter 6 of the SIF Governance Document, meetings with the monitoring officer will take place at regular intervals, as advised by Ofgem or the monitoring officer during the delivery of the Project, and at the end of each Project Phase.

10. EVALUATION

The Funding Party has acknowledged when it submitted its Application for this Project, that reporting information and data gathered during the Project's timescales (as detailed in Section 1 of this SIF Project Direction) will be used to evaluate Project performance. In addition, the Funding Party may be required to provide requested information outside of the Project timescales and, in particular, for the period from the Project end date to the end of the SIF Programme. Further data and reporting information may be requested (frequency and method based on requirement) outside of standard monitoring and reporting requirements as deemed necessary. Further data and information requirements must be complied with by the Funding Party and Project Partners.

11. DATA SHARING

As set out in Chapter 3 of the SIF Governance Document, the Funding Party must follow Data Best Practice Guidance with regards to all data gathered or created in the course of a Project. We expect the Funding Party to document any reasons, such as commercial sensitivities, for desensitising data. As defined by, and in accordance with, Data Best Practice Guidance, Funding Parties must have a data triage process. Where multiple Project Partners are collaborating on a Project, the consortium must adopt a consistent Open Triage Process for the data related to the Project. Ofgem may require that Project information and data is also shared with other specified parties, such as parties working on complementary innovation funding programmes (subject to redaction of sensitive data).

12. CYBER SECURITY

It is the responsibility of the Funding Party and all Project Partners to implement and maintain appropriate security measures to protect personal data in accordance with The GDPR (General Data Protection Regulation)¹⁵ and DPA (Data Protection Act) 2018¹⁶. Protection of computer systems from unauthorised access or being otherwise damaged or made inaccessible must be in place alongside effective working practices. These must be maintained in line with the Funding Party's IT Management Strategies and policies.

¹⁵ https://ec.europa.eu/info/law/law-topic/data-protection/data-protection-eu_en

¹⁶ <https://www.legislation.gov.uk/ukpga/2018/12/contents/enacted>

13. PROJECT MILESTONES

The Funding Party must submit its end of Project Phase report to its monitoring officer that verifies the Project milestones have been achieved or explains why they have not.

Project milestones are outlined below in Table 3, based upon details contained within Question 7 and Appendix Question 9 in the Funding Party's.

Table 3. Project milestone¹⁷

Reference	Project milestone	Deadline	Overall objectives and key tasks	Summary of Milestones and Success Criteria	SIF Funding Request (100%)
Milestone 1	Work package 1: Predictive Model improvements	31 December 2024	Overall work package objectives: The objective of WP1 is to build upon work done in the alpha phase to improve the accuracy of the PSI model. The Funding Party will increase the data input sources and test the impact of new inputs into model accuracy and the predicted risk score. This will require data research and cleansing, further object recognition labelling to detect more objects with greater accuracy, and to research the ability to identify non-compliant sites, and product development to automate the capture and integration of data.	<p>M1: Research, and if found to have a material change to the model, build and deploy live traffic API into model predictions: The accuracy of the model, or the breadth of inputs into the model, is demonstrably increased from traffic data. (£56,315.71)</p> <p>M2: Research, and if found to have a material change to the model, build and deploy live roadwork API into model predictions: The accuracy of the model, or the breadth of inputs into the model, is demonstrable increased from roadwork data. (£56,315.71)</p>	£394,210.00 (37%)

¹⁷ As outlined in in the Application or Project Plan appendix.

			<p>Key tasks:</p> <ol style="list-style-type: none"> 1. Research, build and deploy traffic API 2. Research, build and deploy roadworks API 3. Research, build and deploy fatigue API 4. Research voice tone & pitch, and behavioural safety inputs, if applicable and suitable build and deploy 5. Label and increase accuracy of object recognition model, to identify more objects / controls at a greater accuracy 6. Research & test ability to use OR to detect non-compliant sites (e.g. incorrect street works setup), and if applicable build and deploy 5. Research integration with asset management system, and the impact of 	<p>M3: Research, and if found to have a material change to the model, build and deploy live fatigue and work time capture API into model predictions: The accuracy of the model, or the breadth of inputs into the model, is demonstrably increased from fatigue data, and the model score is continuously adjusted if fatigue is found to impact the risk score. (£56,315.71)</p> <p>M4: Build on existing research in respect of use of analytics of voice, to understand the ability to deliver a predictive model with a reasonable level of accuracy (e.g. 50%+) of voice analytics in an environment with high industrial and street noise: Study completed into analytics in an environment with high industrial and street noise with potential to bring</p>	
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			asset information on risk score, and if applicable build and deploy	<p>into PSI model if found valid. (£56,315.71)</p> <p>M5: Iterate and improve both breadth of object recognition model and the accuracy: At least 20 objects / controls can be detected and integrated into the model score. (£56,315.71)</p> <p>M6: Research further advancements in object recognition model to detect non-compliant control measures on site, e.g. a non-compliant street works set up that could be dangerous: Study completed and model can detect 3 or more non-compliant control measures on site. (£56,315.71)</p> <p>M7: Research integration with asset management system, and the impact of asset information on risk score, and if applicable build and deploy: Asset data found to be a contributor to risk</p>	
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				score and incorporated into the model. (£56,315.71)	
Milestone 2	Work package 2: Design and UX improvements & technical changes for market	31 December 2024	<p>Overall work package objectives: To research, design and build any iterations of the PSI risk score and categorisation, in line with user feedback and user behaviour, in readiness to a scale pilot and scale deployment within the sector</p> <p>Key tasks:</p> <ol style="list-style-type: none"> 1. Iterate Cloud solution for managers 2. iterate App solution for fieldworkers and managers 3. Technical model changes to deploy outside of SGN, including data collection iterations to allow model to be deployed across sector 	<p>M1: Deliver design and UX changes to improve intervention rate and iterate Minimum Viable Product on feedback: 50% intervention rate from change implemented. (£117,985.00)</p> <p>M2: Enable technical data collection changes to allow model to be deployed outside of SGN: Successful predictions made in a control environment for a different organisation. (£117,985.00)</p>	£235,970.00 (22%)

Milestone 3	Work package 3: Scale-deployment & Collaboration	31 December 2024	<p>Overall work package objectives:</p> <p>Objective of WP3 is to test the PSI model at scale within the energy sector, and ready the predictive model for commercialisation and market. The PSI model will be taken initially to a scaled pilot at SGN to increase data capture and allow research on user behaviours at scale, before deploying the product at scale across SGN. WP3 will also deliver cross industry collaboration, working with Cadent Gas. National Grid, Northern Gas Networks to collaborate on learning and usage patterns, alongside the SPEN SIF Project if approved, for agreed collaboration opportunities.</p> <p>Key tasks:</p> <p>1. Deployment planning for scale SGN proof of concept</p>	<p>M1: Expanded proof of concept to 100+ users: 100 users onboarded and engagement rate in PSI >80%. (£32,913.00)</p> <p>M2: Full scale deployment across all SGN users: 100% of SGN operational staff using PSI with engagement rate in PSI >80%. (£32,913.00)</p> <p>M3: Track and monitor phase 1 benefits with leading indicators: 65% accuracy delivered 50% intervention rate. (£32,913.00)</p> <p>M4: Cast study delivered in collaboration with GDNs & AI Industry lead verification: 1 X case study demonstrating benefits sharable and industry events. (£32,913.00)</p> <p>M5: 6 monthly review and collaboration with SPEN SIF project to look at overlap of research areas: 6</p>	£243,188.00 (23%)
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			<p>2. 2 month PoC across operational areas to study usage and behaviours</p> <p>3. Change management strategy for SGN operations-wide deployment</p> <p>4. Full scale deployment at SGN with remote training and FTF sessions</p> <p>5 Monthly project meetings with National Grid, Cadent and Northern Gas Networks for shared learning and innovation involvement</p> <p>6. 6-monthly project meetings with project at SPEN SIF for future collaboration opportunities</p> <p>7. Project management</p>	<p>monthly meeting held with knowledge sharing. (£10,000.00)</p> <p>M6: Project Management and Innovation Management from project partners: Overall project success and information collaboration across parties. (£101,536.00)</p>	
Milestone 4	Work package 4: AI Powered Tailored Intervention	31 December 2024	Overall work package objectives: The objective of WP4 is to significantly increase the level of interventions undertaken when identified as required from the PSI model. The Funding Party will build an AI powered intervention,	M1: Build and deploy and AI interventions enabling tailored interventions pushed to users in real-time: 100% of high risk sites have real-time tailored intervention	£204,890.00 (19%)

			<p>pushing the right intervention data and information to the place where it is needed most, right at the point of work.</p> <p>Key tasks:</p> <ol style="list-style-type: none">1. Build capability to capture additional user data for tailored intervention2. Research, design and build solution to provide AI powered prompt with an AI buddy to intervene for fieldworker and manager	<p>Engagement and response rate to high risk jobs exceeds 60%. (£204,890.00)</p>	
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14. USE OF LOGO

The Funding Party and the Project Partners, External Funders and Project Supporters or subcontractors¹⁸ must not use the Innovate UK/UKRI and/or Ofgem logo for purposes associated with the Project in any circumstances.

As an alternative for use of both Ofgem and UKRI logos, all external Project communications must include the following standard form of wording:

- (i) "this project is funded by network users and consumers under the Strategic Innovation Fund, an Ofgem programme managed in partnership with UKRI."

For additional guidance, refer to the communications and media guidelines for competition winners, detailed as part of your delivery pack. These guidelines are designed to help with some suggestions and encourage you to take a proactive approach to communicating about your Project.

15. SHARING OF LESSONS LEARNED

The Funding Party is required to ensure that the sharing of lessons learned and the facilitation of knowledge transfer is conducted as effectively as possible, to ensure that all parties, and therefore all consumers including future consumers, can benefit from Projects.

As contained within Chapter 3 of the SIF Governance Document, we require the Funding Party to work collaboratively to maintain the ENA Smarter Networks Portal so that all reporting and dissemination of learnings on Projects (as required by chapter 6 of the SIF Governance Document) is available via the ENA Smarter Networks Portal.

16. COLLABORATION

The Funding Party must collaborate with third-party innovators as Project Partners, as well as work closely with other parties in the energy supply chain, as set out in Chapter 3 of the SIF Governance Document.

The Funding Party must collaborate with other parties and with UKRI to organise an annual conference in a format appropriate to enabling the building of consortiums and disseminating learning widely. The conference may be a single event for gas and electricity, or more than one event, as appropriate.

¹⁸ As detailed in the Application.

17. AMENDMENT OR REVOCATION

As set out in Chapter 7 of the SIF Governance Document, this SIF Project Direction may be amended or revoked under the following circumstances:

- (i) if the Funding Party considers that there has been a material change in circumstance that requires a change to the SIF Project Direction, and the Authority agrees; or
- (ii) to reflect amendments made to the Licence.

18. HALTING OF PROJECTS

This SIF Project Direction is subject to the provisions contained in Chapter 7 of the SIF Governance Document relating to the halting of Projects. By extension, this SIF Project Direction is subject to any decision by the Authority to halt the Project to which this SIF Project Direction relates and to any subsequent relevant SIF Funding Direction issued by the Authority pursuant to Special Condition 9.13 of the Gas Transporter Licence (the "Licence").

Further to the requirements in Chapter 7 of the SIF Governance Document, in the event the Authority decides to halt the Project, to which this SIF Project Direction relates, the Authority may issue a statement to the Funding Party clarifying the effect of that halting decision as regards to the status and legal force of the conditions contained in this SIF Project Direction.

NOW THEREFORE:

In accordance with the SIF Governance Document issued pursuant to Special Condition 9.13 of the Gas Transporter Licence (the "Licence") of the Licence the Authority hereby issues this SIF Project Direction to the Funding Party in relation to the Project.

This constitutes notice of reasons for the Authority's decision pursuant to section 38A (Reasons for decisions) of the Gas Act 1986.

Failure to comply with the conditions of this SIF Project Direction means that Ofgem may treat all or part of the SIF Approved Amount received by the Funding Party as SIF Disallowed Expenditure.

ANNEX 1: PROJECT BUDGET

SIF Project Direction costs		
Cost Category	Total Project costs (£)	Total SIF Funding requested (£)
Labour	£1,109,696	£1,006,348
Materials	£0	£0
Subcontracting	£70,000	£62,831
Travel and subsistence	£9,000	£8,078
Other costs	£1,000	£1,000
Total	£1,189,696	£1,078,258

Project Partner	Total project costs (£)	Project contribution (£)	Total SIF Funding requested (£)	In-kind contribution (£)	Project contribution (%)
SOUTHERN GAS NETWORKS PLC	£75,312	£0	£75,312	£7,532	
FYLD LIMITED	£1,088,160	£111,438	£976,722	£0	
CADENT GAS LIMITED	£6,894	£0	£6,894	£0	
NORTHERN GAS NETWORKS LIMITED	£10,890	£0	£10,890	£0	
NATIONAL GAS TRANSMISSION PLC	£8,440	£0	£8,440	£0	
TOTAL	£1,189,696	£111,438.00	£1,078,258.00	£7,532.00	11%

ANNEX 2 TO SCHEDULE: TEMPLATE OF BANK ACCOUNT DETAILS TO BE PROVIDED TO EITHER NGGT (BOX.GSOSETTLEMENTS@NATIONALGRID.COM) OR NG ESO (revenue.invoice@nationalgrideso.com)

Company name:

Primary Contact Details (only one contact permitted)

First Name:

Last Name:

Email address:

Mobile phone number:

Work phone number:

Address details

Address name:

Street address:

City:

State / region:

Post code:

PO box: (if applicable)

PO box post code: (if applicable)

Banking details

These should be evidenced in non-editable format. The evidence provided must show company name and bank details and it should be dated within the last 6 months.

Any of the below documents will suffice:

- Bank statement (scanned document)
- Void cheque
- Paying in slip
- Screenshot of online banking (showing a logged in account with bank account and sort code, with browser visible)