

LCN Fund Full Submission
Supplementary Answer Form

Tick if this answer is Confidential:

Tick if this answer has been provided verbally:

Project code:	Smarter Network Storage	Question Number	UKPN008
Question date	30 August 2012	Answer date	4 Sep 2012
Submission section question relates to	Section 4		
Topic	Evaluation Criteria		
Question	Please explain the degree of dependency of this project on the successful delivery of the GB Flexibility Market proposal.		
Notes on question			
Answer	<p>Whilst there are benefits foreseen in the two projects working together, the SNS project is not dependent upon the successful delivery of the GB Flexibility Market proposal.</p> <p>The SNS project will be demonstrating the shared use of flexibility, and developing platforms to enable that flexibility to be managed more effectively by DNOs, whilst maximising its value.</p> <p>The project will demonstrate and provide real learning relating to the capabilities of distribution-scale storage and the genuine economic value when leveraged for a range of purposes within current market frameworks. This is crucial to help understand how the true economics of storage, and whether the value supports future business models for storage.</p> <p>The understanding and learning relating to the full value of storage, and how it can be maximised for the benefit of the system is required independent of the nature of future market products, or exact arrangements for the provision and procurement of that flexibility by the TSO or other parties.</p>		

	All key learning outcomes of the SNS project, including greater understanding around the economics of storage, validated business models and IT platforms to manage the shared use of storage (and other forms of flexibility) will be deliverable without dependence on any other LCNF project.
Attachments	
Verbal Clarifications (Consultants)	