

Mr Caspar Swales Head of Economics and Efficiencies (Finance and Network Assets) **Utility Regulator** Queen's House 14 Queen Street **BELFAST** BT1 6ED

As a local company, we were interested in the recently released Northern Ireland Electricity Networks Draft Determination. Kelvatek is a distribution network equipment manufacturer based in Lisburn, Northern Ireland. We strongly believe in the value of innovation, and have been involved in many product developments and trials based on OFGEMs IFI and Low Carbon Networks Innovation schemes, now called the NIA, NIC. Given our experience in this area, section D602, Annex O which focuses on Investing for the Future, was of particular interest.

Experience in these projects show that stringent milestones without flexibility can be detrimental to overall project outcomes and benefits. Focus can become trained towards intermediate goals rather than maximising any opportunities that arise due to learnings from early stages of a project.

A planned but flexible approach has been key to the many successful products we have undertaken, including BIDOYNG, and WEEZAP, which has been trialled under a LCN Tier 2 project Smart Street. BIDOYNG has moved from innovation into business as usual, and there are now over 10,000 units in use throughout GB and Northern Ireland.

Our recommendation is that there should be enough flexibility built into projects to allow the maximum benefit outcomes to be achieved.

I would be delighted to speak to you on this further, if you feel that would be of benefit.

Yours sincerely

Peter Cunningham **Managing Director**