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- Please note that the webinar will be recorded and made publicly available on <u>ENA's YouTube channel</u>. Please do not turn your video on if you don't want your likeness to be recorded and shared.
- The slides from the webinar will be made publicly available on ENA's website.
- If you would like any further information about the Open Networks programme or have any feedback you would like to submit, please get in touch with us at opennetworks@energynetworks.org.



Overview of the agenda

Item	Start	Finish	Time	Description	Presenter
1	14:05	14:10	5	Welcome, housekeeping and overview of the agenda	Sotiris Georgiopoulos (Open Networks Chair, UKPN)
2	14:10	14:15	5	Flexibility: The bigger picture	Andrew Lever (Director of Energy Transition, the Carbon Trust)
3	14:15	14:25	10	How Open Networks is delivering value to customers	Sotiris Georgiopoulos (Open Networks Chair, UKPN)
4	14:25	14:35	10	Industry view of Open Networks	Maxine Frerk (Open Networks Challenge Group Independent Chair)
5	14:35	14:45	10	How we govern the Open Networks programme to deliver value to customers	Dr Avi Aithal (Head of Open Networks, ENA)
6	14:45	15:00	15	Q&A	Sotiris Georgiopoulos (Open Networks Chair, UKPN)



Flexibility: The bigger picture

Andrew Lever

Director of Energy Transition, the Carbon Trust

Flexibility – the bigger picture



Insights from The Carbon Trust's 'Flexibility in Great Britain' report



Reaching net zero by 2050 requires unprecedented build-out across the energy system







A portfolio of flexibility across the energy system manages uncertainties and reduces costs







Flexibility is deployed more locally in 2050 and delivers significant value nationally



Investing in flexibility delivers material net savings between £10bn -£17bn/year in 2050



Embedding flexibility in zero carbon heat & transport solutions will help to reduce their system impact & costs

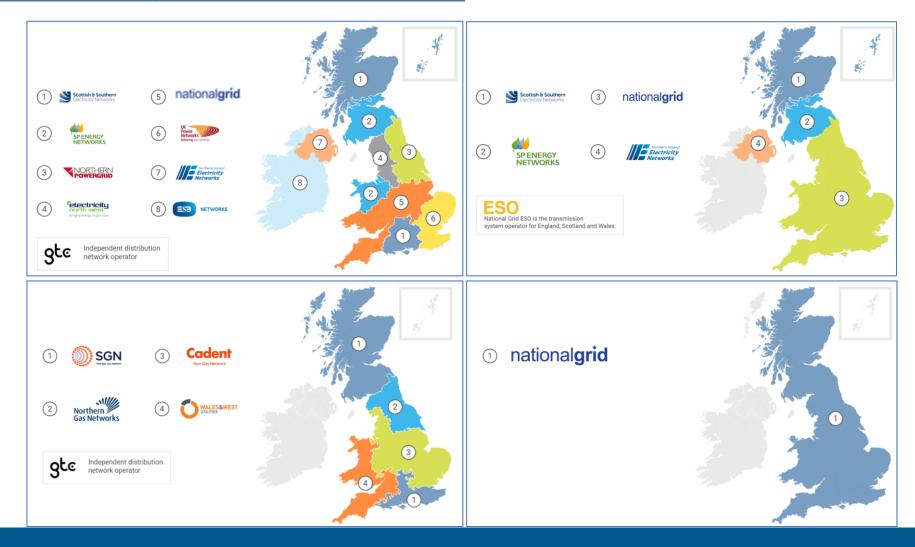


How Open Networks is delivering value to customers

Sotiris Georgiopoulos Open Networks Chair, UKPN







Background





Open Networks 2022 highlights

- 2022 marked **five years of work on the Open Networks** (ON) programme, a key driver in delivering the UK's Net Zero ambition as set out in <u>BEIS and Ofgem's Smart Systems and Flexibility Plan (2021)</u>.
- Introduced the **Open Networks Challenge Group** to shape the direction of the programme, its priorities, and the outcomes it delivers by providing a more formal challenge function on behalf of the wider industry.
- Unanimous support for the programme. Stakeholders were strongly in support of ENA's and network companies' efforts to deliver the programme, especially acknowledging their commitment to providing resources and transparently engaging with stakeholders.
- **Noting key areas of improvement.** Our stakeholders noted that the programme needs to move beyond developing recommendations and strive to implement those recommendations swiftly and consistently across participating network companies.
- Need to focus on a smaller number of areas that lead to tangible results and **prioritise efforts on "big ticket items"** that flexibility service providers see as barriers to entering the market and deliver a consistent user experience for customers engaging with flexibility markets.

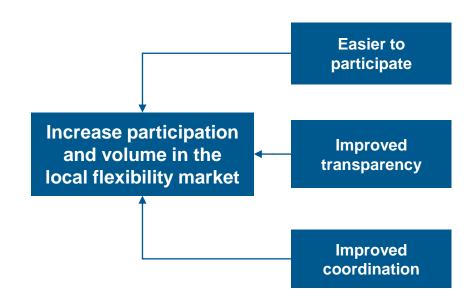


Open Networks 2023

In 2023, Open Networks is looking to demonstrate our ambition to address our stakeholders' concerns and refocus our activities around delivering tangible consistent changes to industry practices across the participating members, rather than stopping at recommendations for changes.

The focus of Open Networks will be to increase participation and volume in the local flexibility market. In line with the actions from the Smart system Flexibility plan, we will focus on:

- Making it easier for flexibility service providers to participate in the flexibility market by standardising products, processes and contracts,
- Improving operational coordination between networks and companies to remove barriers to dispatch of services,
- Putting in measures to improve transparency of processes and decision-making.

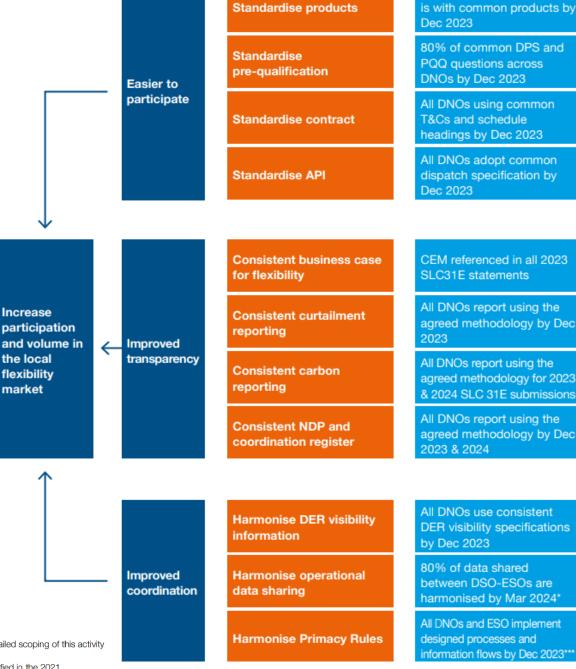


Open Networks 2023

- Programme objectives are delivered through a number of technical working groups.
- Individual areas have been scoped with specific measurable outcomes with clear success criteria and timelines for consistent implementation.
- These objectives will be delivered by consolidating the programme into three new workstreams aligned with the DSO roles as defined by Ofgem:
 - Planning and Network Development
 - **Network Operation**

The voice of the networks

Market Development



association

80% of common DPS and PQQ questions across DNOs by Dec 2023

80% of flex market-testing

All DNOs using common T&Cs and schedule headings by Dec 2023

All DNOs adopt common dispatch specification by Dec 2023

CEM referenced in all 2023 SLC31E statements

All DNOs report using the agreed methodology by Dec

All DNOs report using the agreed methodology for 2023 & 2024 SLC 31E submissions

All DNOs report using the agreed methodology by Dec 2023 & 2024

All DNOs use consistent DER visibility specifications by Dec 2023

80% of data shared between DSO-ESOs are harmonised by Mar 2024*

All DNOs and ESO implement designed processes and information flows by Dec 2023** Key Objective

Activity

Result

^{*}To be reviewed and confirmed following detailed scoping of this activity

^{**}Key result applies to GB DNOs only

^{***}For use cases in Iteration 1 and 2 as identified in the 2021 implementation plan



Industry view of Open Networks

Maxine Frerk
Open Networks Challenge Group Independent Chair



Introducing the ON Challenge Group

- The group is chaired by an Independent Chair who also attends Open Networks Steering Group
- 20 industry experts: flexibility providers, academics, consumer representatives, and the wider industry
- The group met five times in 2022
- Review individual projects plus strategic direction
- "Pleased at the spirit of openness and constructive debate in the meetings"



Challenge Group Independent Chair: Maxine Frerk							
Representing	Seats	Company	Name				
		Octopus	Kieron Stopforth				
Flavibility association		E. ON	Matt Cullen				
Flexibility providers		Centrica	Helen Stack				
	8	Energy UK	Charles Wood				
(Supplier, trade or		Zemo Partnership	Jonathan Murray				
representative body, aggregator, generator, storage, demand		The Association for Renewable Energy and Clean Technology (REA)	Frank Gordon				
customer)		The Association for Decentralised Energy (ADE)	Caroline Sejer Damgaard				
		Everoze Partners	Nithin Rajavelu				
Supply chain and smart	2	Joint Radio Company (JRC)	Peter Couch				
solutions	2	Siemens Energy	Vijay Shinde				
Platform provider	1	Piclo	Gemma Stanley				
Settlement agent	1	Elexon	Hussein Osman				
Community, local energy	2	Regen	Olly Frankland				
and local authorities	2	Community Energy England*	Philip Coventry				
Data	2	Electralink	Emma Carr				
Data	2	Energy Systems Catapult**	Greg Johnston				
Academia	1	Imperial College London	Goran Strbac				
Government	1	Welsh Government	Prof. Ron Loveland				
Consumer Protection Party	1	Citizens Advice	Caroline Farquhar				

Community Energy England will also provide input as best as possible on behalf of Community Energy Wales and Communit Energy Scotland

^{*} In addition to data input, Energy Systems Catapult will also providing whole systems and local planning input as best a possible



ON Challenge Group's asks

- reflected in the 2023 ON launch document

- Urgency / pace
- Focus on outcomes
- Goal: to increase the number of flexibility providers and the total amount of flexibility provided at the local distribution network, consistent with actions ESO is taking
- Addressing the barriers flexibility providers face:
 - More standardised processes with participation made as easy and rewarding as possible
 - Improved transparency to give confidence and ability to plan
- Consistency must not mean going at the pace of the slowest

"The Challenge Group would like to see Open Networks tackling some of these simple sounding but hard to deliver changes"



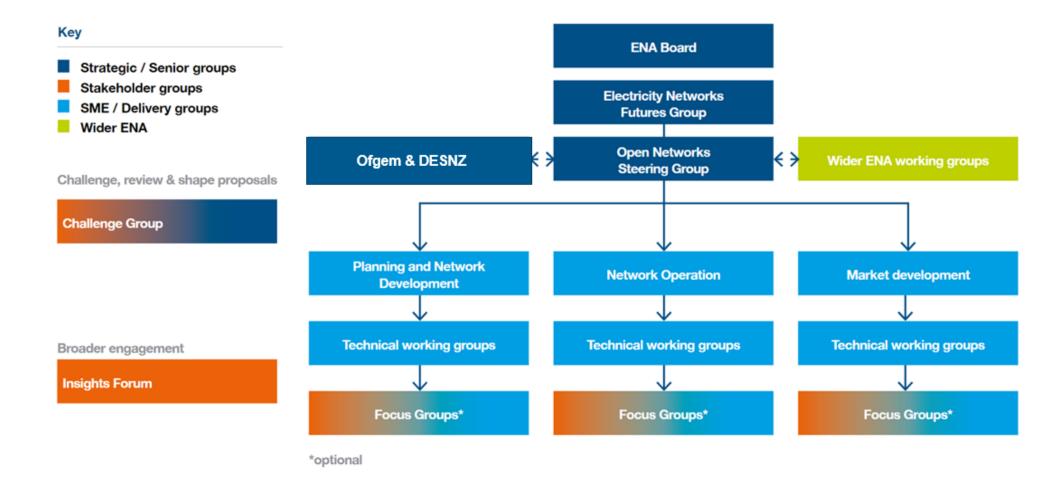


How we govern the Open Networks programme to deliver value to customers

Dr Avi Aithal Head of Open Networks, ENA



Open Networks 2023 Governance



Open Networks 2023 Governance



Under the **ENA board**, Electricity Networks Futures Group (ENFG) will be the group that holds the funding for the Open Networks programme but will delegate authority for the spend of that budget and the management and delivery of the programme to the Open Networks Steering Group.

The **ON Steering Group** is the key group with the responsibility to direct the delivery of the ON programme to time, cost, and quality. The ON Steering Group will be a small group with a single representative from each operator organisation including BEIS, and the ENA ON Team. Additionally, the Steering Group will also be attended by the ON Challenge Group Chair to provide the link to the Challenge Group.

The **ON Challenge Group** - chaired by an independent Chair, the ON Challenge group shape the direction of the programme, its priorities and the outcomes that it delivers by providing a more formal challenge function on behalf of the wider industry.

Ofgem and DESNZ provide input into the ON Steering Group, specific workstreams and product teams where this is of particular value. The programme team liaise with Ofgem and BEIS on an ongoing basis to discuss progress and address any issues.

The **Insights Forum** has been setup alongside in 2022 for stakeholders wishing to engage more broadly with the programme.

Technical working groups will be formed from ENA member resources to develop key areas under in the different workstreams., which will be led by a Lead who will have accountability for delivery of their products in line with the scope and timescales set out in the PID.

For key working groups, Open Networks will facilitate **Focus Group** consisting of key industry stakeholders at key development stages for stakeholder to feed into the development of the subject area. These targeted Focus Groups will be facilitated by the Technical working group Leads.





Sotiris Georgiopoulos Open Networks Chair, UKPN

Useful Links



Open Networks 2023 programme overview

2022 End of Year report

Stakeholder events & supporting material

Strategic Roadmap for Flexibility

Insights Forum application

We welcome feedback and your input

Opennetworks@energynetworks.org

Click <u>here</u> to join our mailing list



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