

Open Networks Project 2021 Workplan Consultation

ENA ON responses & next steps

Background

Open Networks consulted on its' 2021 workplan in February to seek views from the industry on the workplan and associated deliverables. We asked stakeholders to provide comments in any form on our scope, deliverables and priorities.

These slides summarise the feedback that we have received and how we are taking this forward. Alongside these slides, we have also published an [updated version of the PID](#) to reflect changes.

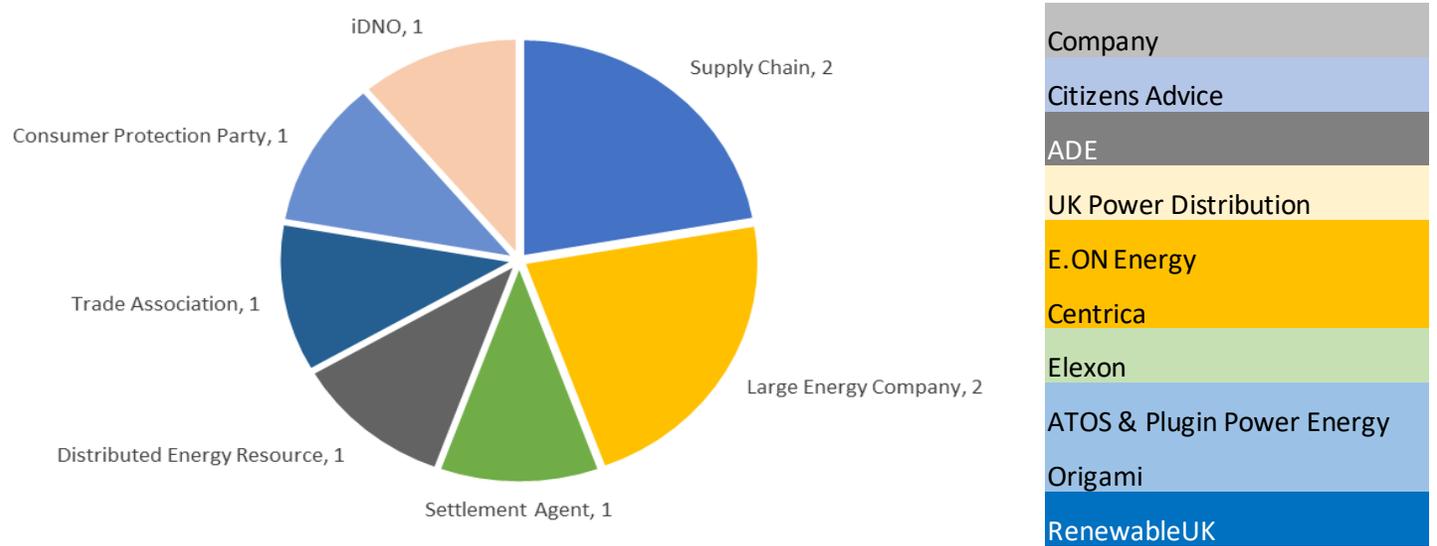
Consultation Deliverables



Overview of Respondents

9 responses were received from a range of stakeholders. The full consultation responses can be found [here](#).

Respondents



PID Consultation - Review process



Key messages & Summary of Next Steps

- Overall recognition of scale of work and welcomed improvements made to date based on stakeholder feedback.
- Agreement with priorities, including work on ANM.
- More stakeholder engagement on key products such as ANM and Conflicts of Interest.
- More specific feedback and items to consider in the development of products was shared (as captured in slides below).

Taking this feedback on board, we will ensure that we factor in more stakeholder engagement for the delivery of key products such as ANM, Common Contract and will continue to setup User Forums to bring in stakeholders into key products.

We welcome the feedback provided on specific products and will factor this into the development work, as noted in the slides below.

We have grouped the feedback by workstreams and products in the slides below.

WS1A PID Consultation Feedback - Responses 1/4

Product	Stakeholder Feedback	Open Networks Response
ANM (P3, 8, 9), CEM (P1) & Common Contract (P4)	More non-network stakeholder engagement on key products such as CEM, Common Contract & ANM.	<p>We recognise the need for further stakeholder engagement and this year we are setting up User Forums for key products including CEM (P1) that will include non-network representatives to ensure collaborative development.</p> <p>In March, we circulated a questionnaire to capture stakeholder curtailment information needs. Focus group workshops are also planned to ensure stakeholders are engaged in identifying solutions from the start. We will undertake further workshops with industry to give visibility of progress and incorporate their feedback into the work.</p> <p>Additionally, we will be consulting on all work on flexibility this year in July and on the common contract in August.</p>
ANM (P3)	By 2028, would like to see contracts for Flexible Connections, enabled via ANM, (FC(ANM)) migrated to firm contracts via tradeable constraints market. Would like to see a RAG approach to assess support migration.	<p>Ofgem's A&FLC SCR is considering changes to the distribution connection boundary, potentially reducing customer exposure to deep reinforcement costs and the need for FC(ANM) connections. To avoid the risk of undertaking work subsequently invalidated, we are focusing on low regret activity that does not rely on Ofgem's decision. These include several products to mitigate the concerns re: FC(ANM) connections and the ability to participate in flexibility markets and capacity trading.</p>
ANM (P3)	Encourage transparency and stakeholder engagement around cost recovery for any renegotiation of legacy FC(ANM) contracts.	The methodology for DNO cost recovery (where required) falls within Ofgem's remit. We agree this needs to be transparent and stakeholders engaged.

WS1A PID Consultation Feedback - Responses 2/4

Product	Stakeholder Feedback	Open Networks Response
ANM (P8)	<p>Investigate running flexibility markets to support new connections (rather than offer FC(ANM) contracts).</p> <p>Unfettered adoption of FC(ANM) connections will damage the development of flexibility markets.</p>	<p>Mitigating the interactions between Flexible Connections (ANM enabled) and flexibility services; and facilitating the evolution to Flexibility Markets is a key priority. However, FC(ANM)s currently provide affordable and timely network connections ahead of reinforcement, enabling customers to connect faster and avoiding upfront deep reinforcement costs in return for accepting the risk of curtailment at times of system stress.</p> <p>Ofgem’s A&FLC SCR is considering material changes to the network connection boundary, potentially reducing significantly the customer exposure to these deep reinforcement costs and the need for FC(ANM) connections. Ahead of an Ofgem decision it was agreed that ON should focus on activity that does not depend on the conclusion of the SCR. These include a number of products to reduce curtailment risk and improve curtailment information to stakeholders such that they are able to participate in other flexibility services and markets. Product 6 is also looking at capacity trading / sharing options.</p> <p>Growth in FC(ANM) connections is driven by customer demand for these types of connection. Removing the FC(ANM) option at this point would make many, mostly renewable, connections unaffordable.</p>
Apportioning curtailment risk (P8)	Propose that the DSO assumes some of the risk.	This product is considering options for sharing curtailment risk more equitably across networks and stakeholders. Understanding risks, and which parties are best able to manage them, is part of the activity.
Curtailment Information (P9)	Suggests developing a strategy for keeping curtailment data up-to-date.	This product is developing a strategy for access to accurate, timely and more granular information. It is also considering improvements to the availability of curtailment information and frequency of updates.

WS1A PID Consultation Feedback - Responses 3/4

Product	Stakeholder Feedback	Open Networks Response
CEM (P1)	<p>Consider further work to include true costs of ANMFCs, including long term impact on future flexibility procurement.</p> <p>Consider including the of wider costs of ANM for connectees in the CEM tool.</p>	<p>These proposals will be submitted and be considered as part of the future development work, to be discussed in the new User Forum for the CEM and Tool, currently being developed by Open Networks.</p> <p>The CEM and Tool is designed to consider the costs and benefits from the perspective of a DNO and is not currently able to take into consideration the wider costs of ANM for connectees. The Whole System CBA, developed under WS4, has been developed to consider the costs and benefits for licensees and non-licensees and so is better able to undertake this type of assessment. As WS4 is currently applying the Whole System CBA to real-life situations, ANM could be added to use cases for WS4 to model. We will explore this further with user forum that will be setup to deliver the next iteration of the Whole System CBA.</p>
Procurement Process (P2)	<p>Single portal shared by all DNOs for prequalification and registration of assets.</p>	<p>In the interest of neutral market facilitation, we believe that any portals or platforms should be owned by third parties to ensure neutral market facilitation.</p> <p>Further work on pre-qualification is planned for 2022 which this is essential before a portal can be created. Once assets are prequalified and then accepted they are allowed to progress to bidding. Current platforms such as Piclo (used by TEF) collate data in a standardised form but data has to be manually downloaded and assessed by DNO's.</p>
Procurement Process (P2)	<p>Consider cost effectiveness of DNO procurement every 6-months as DNO will have a better understanding of requirements</p>	<p>DNOs currently carry out bi-annual procurement as this allows for some flexibility in DNO's approach to procurement as constraints identified during annual reviews may be anomalous, and having these intervals allows for analysis of network data to confirm or validate requirements. Additional constraints are also identified throughout the year due to connections activity and outage management.</p>

WS1A PID Consultation Feedback - Responses 4/4

Product	Stakeholder Feedback	Open Networks Response
Common Contract (P4)	Remaining accessibility improvements should be made in V2 or ahead for aggregators.	<p>Majority of accessibility issues will indeed be addressed in V2 in August through alignment with the ESO. There may be some issues that we start to make progress on but these may require further development work (e.g. reducing metering requirements) to fully be addressed. Our intention would be to progress the development work to inform these changes and incorporate this into future versions of the common contract.</p> <p>Please note that V2 won't be the final version as we will look to move to a framework procurement of services model as the markets mature.</p>
Non-DSO Services (P6)	Suggested increasing scope to include iDNOs.	We welcome IDNO participation in the market simulations and trials that are informing this product. In addition to GTC's involvement, INA have been offered a permanent seat on WS1A to enable them to participate directly. We welcome and fully support IDNO involvement.
Workstream	Suggest a new workstream looking at energy efficiency	There are a number of initiatives that individual DNOs are progressing to look at energy efficiency. As part of their ED2 Business Plan guidance, DNOs will be required to address this in their business plans. Once there is sufficient learning from the individual company initiatives, we will then look at see how we can bring this back to Open Networks with a view to standardise and optimise approaches.

WS1B PID Consultation Feedback – Responses 1/2

Product	Stakeholder Feedback	Open Networks Response
Operational DER Visibility (P6)	<p>Need to ensure that monitoring and metering are appropriate for a range of customers.</p> <p>Any requirements more stringent than what would be expected to participate in an equivalent ESO service should be justified (e.g. through cost benefit analysis).</p>	<p>The current level of monitoring is different dependent on the voltage level the customer is connected to rather than the size of the asset itself.</p> <p>We are aware that this can cause issues for flexibility providers and we are looking to address these differences as part of our work on Operational Metering.</p>
Operational DER Visibility (P6)	<p>Consider the attributes of DER party type and efficiencies from utilising existing metering where standards overlap.</p>	<p>Metering is currently agnostic to the type of DER (party type). We recognise that this is sub-optimal as different types have different requirements. High resolution ability-based parameters could be considered where relevant.</p>
WS1B Operational Data Sharing (P7)	<p>Is there a process in place whereby IDNO gets informed if a DER connected to their system trades services with the DSO and ESO? If not, is this feasible?</p>	<p>DNOs and iDNOs do not get informed in this situation however work is ongoing under WS1B P4 Data Exchange in Planning Timescales to increase data exchange via a Distribution Code change.</p> <p>The implementation of such a process would also require inclusion of iDNO connected assets in the ECR administered by WS2 P1.</p>

WS1B PID Consultation Feedback – Responses 2/2

Product	Stakeholder Feedback	Open Networks Response
Operational Data Sharing (P7)	<p>Would like to see more data on networks recording, modelling, and sharing the status of the substations as well as DER on the network down to LV level.</p> <p>Working with suppliers & customers to develop models from smart meter data.</p>	<p>This product is currently looking to identify existing datasets and areas for enhancement however these are areas we will explore in future phases of product development. Some preliminary thoughts on such data sets are that historic information for EHV substations with constraint and free capacity could be provided and shared, due to the data auditing required this would need to be in a similar manner to the yearly data produced by DNOs. It was needed to be determined whether this additional data would provide a significant benefit to offset the development and ongoing management cost. Data for DERs with telemetry at connection points could be provided. DER data down to LV level still has significant gaps on the part of the DNOs, there is a proposal for DNOs to use third party data to complete their data. Once this is available and Smart meters are rolled out, the sharing of this data to this extent could be looked at for a future product, however it is currently not within the scope of this product.</p>

WS2 PID Consultation Feedback – Responses 1/1

Product	Stakeholder Feedback	Open Networks Response
<p>Embedded Capacity Register (P1)</p>	<p>Any registers should be compatible with the data registers and upload process for BM so assets can be interoperable.</p>	<p>The existing ECR was developed following a DCUSA modification raised by BEIS PTE and was aimed at publishing information on larger sites >1MW. We are currently working on lowering the threshold to >50kW and are assessing how this information should be published. Any change in format will retain at least the current level of data granularity.</p>

WS3 PID Consultation Feedback – Responses 1/3

Product	Stakeholder Feedback	Open Networks Response
WS3	Investigate where participation from an iDNO could add value.	Since the publication of the PID, we have engaged with the INA to discuss the scope for 2021 and areas for participation. INA will be nominating a representative to participate in WS1A and we are open to facilitating further engagement and participation.
DSO Roadmap (P1)	Spreadsheet format for DSO Roadmap should be available.	ENA has published a spreadsheet format of the DSO Roadmap alongside the 2021 Q1 Update. This can be found via the ENA Resource Library .
DSO Roadmap (P1)	Greater level of detail in the DSO Roadmap.	The Q3 update of the DSO Roadmap will have increased granularity, displaying DNO-level data.

WS3 PID Consultation Feedback – Responses 2/3

Product	Stakeholder Feedback	Open Networks Response
COI & UC Risk Register (P2)	Concern that the register parks issues. Not clear how updates are made on mitigating actions in the Col and UC register.	<p>The Col and UC register contains a mitigation strategy and associated actions for every risk. Risk owners are required to review and update their risks on a quarterly basis; these are quality checked by ON. Before any risks are closed feedback is sought from ON Advisory Group.</p> <p>Heatmaps were introduced to the Register in the Q3 2020 release – this enables stakeholders to focus on the greatest risks and monitor progress more easily.</p>
COI & UC Risk Register (P2)	More stakeholder engagement on COI & UC (particularly with those who may lose out)	<p>As many of the risks impact a range of stakeholders, we engage the ON Advisory Group (representing a cross-section of industry) before recommending any risk closures. The latter and Risk Register quarterly updates are approved by the ON SG; all the associated materials including presentations are published on the ENA website.</p> <p>The ON also requests stakeholder feedback on each release; we understand the Heatmaps are a useful addition but we rarely receive feedback on the detailed content. We are working with the ON Comms Team (WS5), and a number of stakeholders, to understand how we can improve both engagement and the accessibility of the risk register content.</p>

WS3 PID Consultation Feedback – Responses 3/3

Product	Stakeholder Feedback	Open Networks Response
COI & UC Risk Register (P2)	Suggest ENA Safeguarding Group are involved in product, and widening of scope to address the needs of vulnerable customers across all ON products.	ENA will involve the Safeguarding group in future iterations of the Potential Conflicts of Interest and Unintended Consequences register, and will seek views from the group on how we can get further engagement on the topic into this work and also more broadly across Open Networks.
COI & UC Risk Register (P2)	Processes DNOs will implement to avoid Col has not been properly addressed in the Ofgem RIIO-ED2 guidance. WS3 P2 could be used to identify and describe detailed mitigation actions required.	The DNOs use the Risk Register to inform a number of their processes e.g. the DSO implementation plan. We are happy for the content to be used in a variety of ways to ensure Col are mitigated. The content of the RIIO-ED2 guidance falls within Ofgem’s remit.

WS4 PID Consultation Feedback – Responses 1/2

Product	Stakeholder Feedback	Open Networks Response
Whole System CBA (P1)	Consider inclusion of cost and impacts of ANM to wider stakeholders within the CBA.	The whole system CBA tool has been designed in a way that it can assess many inputs on cost and benefits to stakeholders, including non-network stakeholders. We are currently collecting feedback from users of the tool on ways to improve its functionality and capability, with the possibility of a further version being released towards the end of 2021. We will include this feedback in our review, confirming whether the current CBA tool can support or if not, is it practicable to update a v2 to incorporate this requirement.
Investment Planning (P4)	Consider how to ensure uptake of optioneering service amongst local authorities.	Work is ongoing to try ensure local authorities are aware of the optioneering service, including GB-wide stakeholder engagement being carried out in partnership with Regen. Through two-way discussions and large scale webinars we aim to build a relationship with local authorities and generate interest in engaging with an optioneering service.

WS4 PID Consultation Feedback – Responses 2/2

Product	Stakeholder Feedback	Open Networks Response
LAEP	Is the ENA looking at projects such as Nottingham Council tender for a “smart network” where it is being driven by a third party rather than the DNO?	<p>ENA members are in contact with local authorities (LAs) such as Cadent, with Nottingham Council. Local Authorities have fully autonomy to engage third parties and in such a scenario, we would be happy to work with all parties to provide network information to inform plans</p> <p>We have scoped a new product since the publication of the PID to look at Local Area Energy Planning (LAEP) and whether or not there is any benefit in bringing consistency in how networks support the process. For a LA to understand the full impact on an energy network, it will be necessary to consult the energy network during their planning process. Early discussions help identify the best solution and enable an efficient process.</p>

WS5 PID Consultation Feedback – Responses 1/1

Product	Stakeholder Feedback	Open Networks Response
n/a	Engagement with Community Energy Groups is welcomed, as they influence a range of different areas including Local Area Energy Plans (LAEPs)	<p>ENA has a range of Community Energy Forums which are being run throughout the year to ensure we are engaging on the right areas. ENA is also being more proactive in supporting Community Energy Fortnight this year and is regularly and actively engaging with Community Energy England on this.</p> <p>As part of our Whole Energy Systems work ENA have partnered with Regen to engage Local Authorities, both rural and urban, across GB to develop a process for improved collaboration on LAEPs.</p>
n/a	Review any prospective virtual events and avoid overlap (e.g., ON Advisory Group meetings and National Grid ESO TCMF).	<p>ENA will work with individual member companies to ensure that events are aligned and there are no event clashes where possible. This will be managed through the monthly WS5 meetings.</p>

General ONP PID Consultation Feedback 1/2

Stakeholder Feedback	Open Networks Response
Elexon suggest collaboration where deliverables overlap with BSC changes	ENA fully supports this suggestion and we will continue to engage Elexon and / or seek their expertise as required. For example, we have discussed raising an Issue Group to consider appropriate interactions between DSO instructed flexibility actions and imbalance settlement.
Support for new ENA website displaying a record of past Open Networks key outputs and consultations by year. Ask for GGG products to be displayed in the same way.	Gas Goes Green have now started work to display their products under workstream accordions by year in a very similar way to Open Networks.
Request for the DDSG to present to the Advisory Group	The Data and Digitalisation Steering Group (DDSG) will present an overview of activity at the July Advisory Group (AG) will look to present at later AG meeting when a significant update can be shared.

General ONP PID Consultation Feedback 2/2

Stakeholder Feedback	Open Networks Response
<p>Consider having product teams to provide details of any barriers to progressing their products.</p>	<p>All product dependencies are identified within the PID and any barriers identified by product teams during development are highlighted as and when identified. Where regulatory change is required to address these barriers the appropriate change request is raised e.g. CUSC mod.</p>
<p>Consider more direction setting questions for PID consultation.</p>	<p>To promote engagement with the PID Consultation we have avoided being prescriptive in the format of responses however we will consider appropriate optional questions for future PID consultations.</p>