

## Appendix 7 - Service Optimisation (March 2021)

### Structure of the Appendix

This Appendix provides an initial overview of the Function, including the snapshot of the roadmap of the Function and some key statistics.

We then go through each activity and the unique steps that sit under the activity. With the term “unique” we indicate all Common Steps aggregated at organisation level, where possible, as well as steps which aggregate Individual Steps (see section 2.7.2 of the main document for reference).<sup>1</sup>

We provide a summary table of each step which includes all the associated information as of the date of this publication. The fields of the table are explained below:

Step	Name of the step as included in the DSO Roadmap
<b>Step type:</b>	<i>Development / definition activity or network action or code change process or enabler/dependency.</i>
<b>Description:</b>	<i>Description of the step as included in the DSO Roadmap</i>
<b>ENA ONP Product:</b>	<i>Only relevant for steps which are associated to an ENA ONP Product.</i>
<b>Timeline:</b>	<i>Start date and completion date of the step. For aggregated steps, start date shows the earliest start date of the responses and completion date the latest completion date of the responses.</i>
<b>Organisation type:</b>	<i>Involved organisations who are responsible for delivering this step. If the step type is “Code change process”, then a delivery body which consists of a number of stakeholders (DNOs, Ofgem, TOs, ESO), is responsible for the code change process. In this case the step is allocated to the “Delivery body”.</i>
<b>Progress:</b>	<i>This field shows the number of organisations in each implementation level.</i>
<b>Additional information:</b>	<i>Additional information such as barriers, dependencies, good practices and links to public information is included in this field.</i>

**Table 1 – Step table template, definition of the fields**

### Function 7

Function 7 – Service Optimisation consists of 70 unique steps, some of which are common across DNOs, T.E.F. projects and TOs or duplicated across different activities of this function. We received in total 266 contributions by the involved stakeholders (i.e. 266 steps by all organisations, which were aggregated to 70 unique steps, where possible).

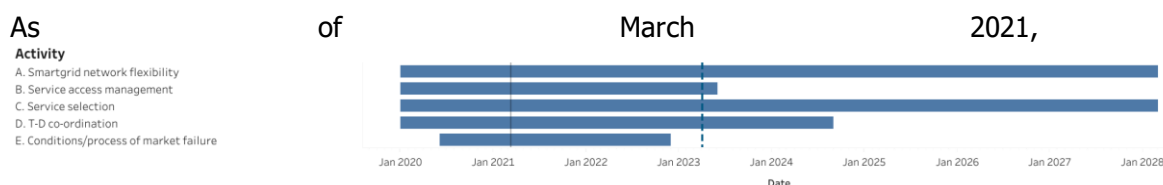
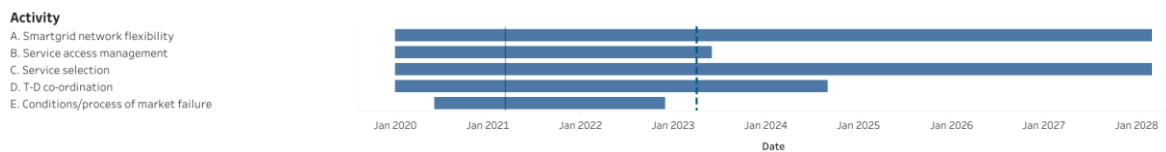


Figure 1 shows that the roadmap of the “Service Optimisation” Function will be completed by 2028. Please note that timescales are only relevant to steps that have been planned or being implemented

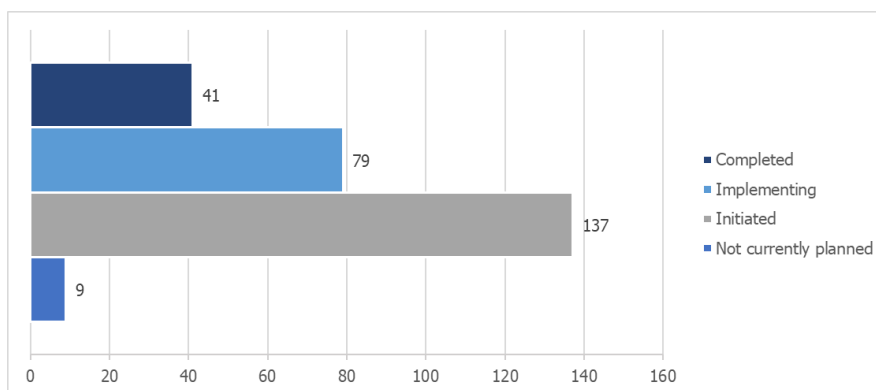
<sup>1</sup> If a step is relevant to the wider industry, it is called Common Step. A step which is required for individual organisation to implement DSO functionality is called Individual Step. Individual steps are aggregated into a single generic step combining all individual network actions and described only at a high-level, anonymised basis.

by the involved organisations. There are no dates for steps that are at conceptual level, meaning that the organisations plan to implement the step, but they do not know the timescale of the implementation (please refer to section 2.7.3 of the main document for reference).



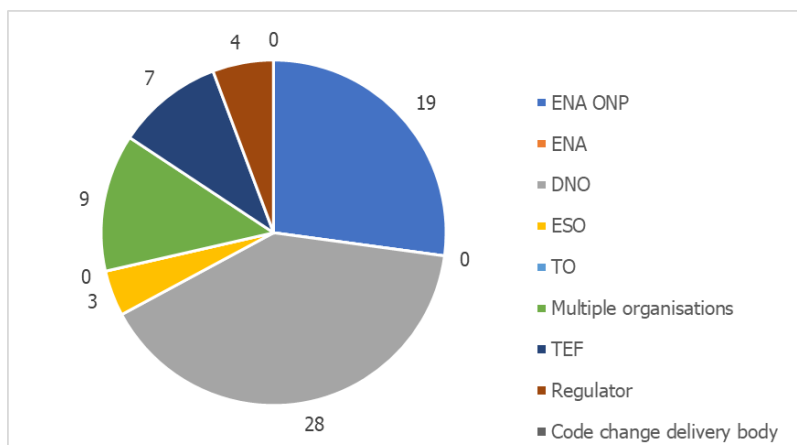
**Figure 1 Service Optimisation Roadmap**

Figure 2 shows the total number of organisations' contributions to the unique steps. Over half of organisations' contribution to this function are in the organisations' pipeline to implement but have not started yet ("Initiated"). 41 (~15%) of them have been completed and just under one third of the steps is being implemented.



**Figure 2 Progress against implementation of "Service Optimisation" Function (No. of steps-contributions of each organisation)**

Figure 3 shows the number of unique steps that are led by each organisation type in the "Service Optimisation" Function. Most steps are led by DNOs, whilst ENA ONP contribution is also significant for this Function with just under 30% of the steps, reflecting ENA ONP development activities. There is also a high number of steps that involve multiple organisations (e.g. TOs, ESO, DNOs), particularly in the T-D coordination activity. T.E.F. projects are also active in this function with 7 steps (10%).

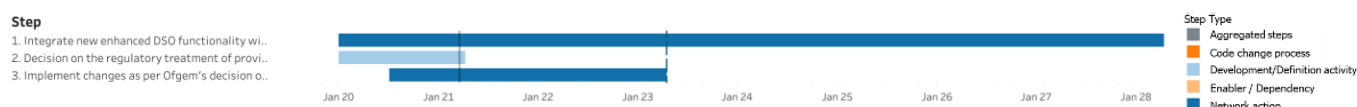


**Figure 3 Number of steps led by organisation type in Function 7**

## Activity A: Smartgrid network flexibility

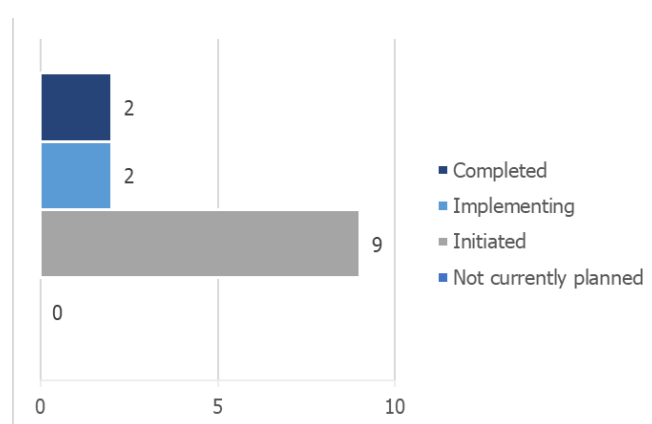
Description: Enable flexibility services through novel utilisation of existing network components.

Figure 4 displays the roadmap for activity A which consists of 3 unique steps:



**Figure 4 Service Optimisation – Activity A roadmap**

Figure 5 shows the total number of organisations' contributions to the unique steps. As of March 2021 most steps (~70%) of this activity are in the organisations' pipeline to implement but have not started yet ("Initiated"). 2 contributions have been completed and 2 contributions are under implementation.



**Figure 5 Progress against implementation of "Service Optimisation" – Activity A (No. of steps-contributions of each organisation)**

The tables on the following pages provide detailed information for each step under Activity A.

### Step 1

<b>Step:</b>	<b>Integrate new enhanced DSO functionality within control rooms.</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	In order to manage network operations utilising ANM, Flexible services, and flexible connections there will need to be an additional functionality within the control room which monitors the day to day operation of these services (I.e. ANM and DER control desk).
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	December 2015 - March 2028
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(3), Implementing(1), Completed(2)
<b>Additional information:</b>	This step was identified as a common step across all DNOs, outside ENA ONP workstreams. The progress varies across DNOs as network needs for ANM and flexible services are different in their licenced areas. One DNO has flagged that additional resourcing may be required to monitor ANM system operation and ad hoc issues with DER providers.

### Step 2

<b>Step:</b>	<b>Decision on the regulatory treatment of provision of flexibility services from DNOs' network assets.</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	Ofgem's decision on the regulatory treatment in RIIO ED2 of DNOs providing network voltage control and network management services, via the remote management of deployed network assets, to the ESO for its balancing services activity. This service is commonly known as CLASS.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	January 2019 - April 2021
<b>Organisation type:</b>	Regulator(1)
<b>Progress:</b>	Implementing(1)
<b>Additional information:</b>	As per Ofgem, the position consulted on would not take effect until 2023 (and the minded-to position would only represent a continuation of an existing regulatory regime). This step will inform step 3 for the DNOs. More information on the CLASS consultation can be found below: <a href="https://www.ofgem.gov.uk/publications-and-updates/regulatory-treatment-class-balancing-service-riio-ed2-network-price-control">https://www.ofgem.gov.uk/publications-and-updates/regulatory-treatment-class-balancing-service-riio-ed2-network-price-control</a>

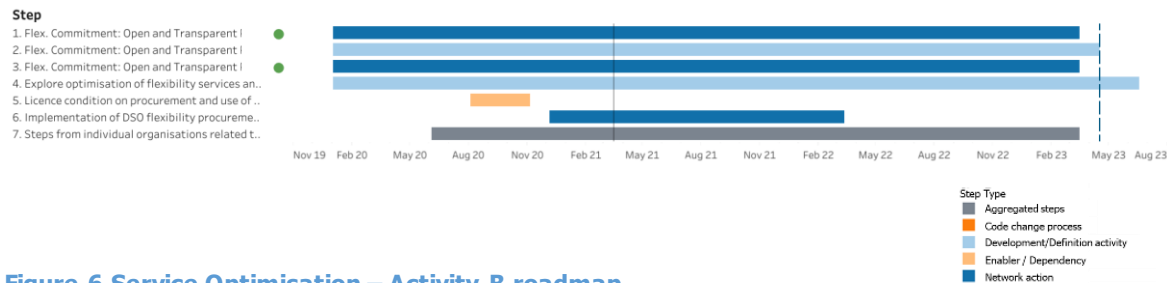
### Step 3

<b>Step:</b>	<b>Implement changes as per Ofgem's decision on the provision of flexibility from funded assets</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	Following Ofgem's decision on the regulatory treatment of the provision of flexibility services to funded assets (CLASS consultation), DNOs must implement changes to make the position effective. Any related changes will be effective within the RIIO-ED2 price control period.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	July 2020 - April 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(6)
<b>Additional information:</b>	This step is dependent on Ofgem's CLASS consultation (step 2). As per Ofgem, the position consulted on would not take effect until 2023 (and the minded-to position would only represent a continuation of an existing regulatory regime). More information on the CLASS consultation can be found below: <a href="https://www.ofgem.gov.uk/publications-and-updates/regulatory-treatment-class-balancing-service-riio-ed2-network-price-control">https://www.ofgem.gov.uk/publications-and-updates/regulatory-treatment-class-balancing-service-riio-ed2-network-price-control</a>

## Activity B: Service access management

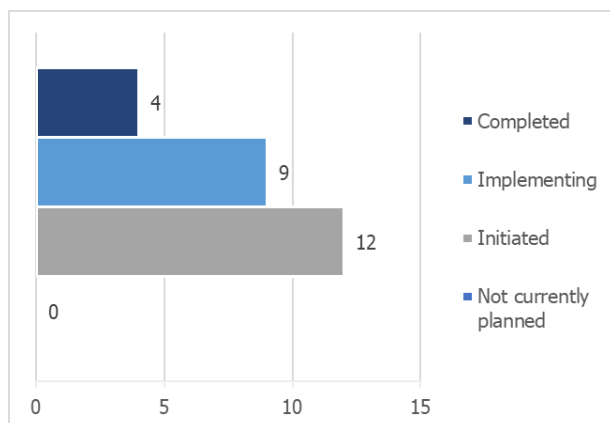
Description: How services will be selected and managed by network operators depending on capacity constraints. Includes prioritisation methodologies (e.g. LIFO, technical best, economic best).

Figure 6 displays the roadmap for activity B which consists of 5 unique steps:



**Figure 6 Service Optimisation – Activity B roadmap**

Figure 7 shows the total number of organisations' contributions to the unique steps. As of March 2021 most steps (~48%) of this activity are in the organisations' pipeline to implement but have not started yet ("Initiated"). 4 contributions has been completed and just under 40% of the steps are being implemented.



**Figure 7 Progress against implementation of "Service Optimisation" – Activity B (No. of steps-contributions of each organisation)**

The tables on the following pages provide detailed information for each step under Activity B.

## Step 1

Step:	Flex. Commitment: Open and Transparent Procurement - Common Methodology
Step type:	Network actions
Description:	As part of ENA Flexibility Next Step 3 (Conduct procurement in Open and Transparent Manner), to define common methodologies for all network operators to follow and be transparent about the criteria used in decision-making.
ENA ONP Product:	Flex. Commitment
Timeline:	January 2018 - March 2023
Organisation type:	DNO(6), ESO(1)
Progress:	Initiated(4), Implementing(2), Completed(1)
Additional information:	<p>DNOs have flagged that this step is linked to 2020 WS1A P1 deliverables, which will inform future actions for DNOs.</p> <p>Link to flexibility commitment documents:</p> <p><a href="https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf">https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf</a></p>

## Step 2

Step:	Flex. Commitment: Open and Transparent Procurement - Common Methodology
Step type:	Development / definition activity
Description:	As part of ENA Flexibility Next Step 3 (Conduct procurement in Open and Transparent Manner), to define common methodologies for all network operators to follow and be transparent about the criteria used in decision-making.
ENA ONP Product:	Flex. Commitment
Timeline:	June 2019 - April 2023
Organisation type:	ENA ONP(1)
Progress:	Implementing(1)
Additional information:	<p>This step reflects ENA ONP contribution to this flexibility commitment. ENA ONP development of 2020 WS1A P1 is related to this commitment.</p> <p>Link to flexibility commitment documents:</p> <p><a href="https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf">https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf</a></p>

### Step 3

<b>Step:</b>	<b>Flex. Commitment: Open and Transparent Procurement - Cost effectiveness</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	As part of ENA Flexibility Next Step 3 (Conduct procurement in Open and Transparent Manner), to choose the solution that is the most cost-effective for consumers, while meeting the needs of all customers, the system and the networks.
<b>ENA ONP Product:</b>	Flex. Commitment
<b>Timeline:</b>	January 2018 - March 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(2), Implementing(2), Completed(2)
<b>Additional information:</b>	DNOs have mentioned that this is a whole system issue and in some cases it will be challenging to come up with a single optimised answer for every investment. Most DNOs have already completed part of this commitment (e.g. using a list of assessment criteria) but further actions are required to optimise the step. One DNO has flagged that lack of suitable flexible services DER providers is a barrier to implementation of this step. See: <a href="https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf">https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf</a>

### Step 4

<b>Step:</b>	<b>Explore optimisation of flexibility services and physically trial</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	TEF projects investigate available data and optimisation processes of flexibility services, such as short-term procurement and dispatch, that will be tested in practice through physical trials before the end of the projects.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	April 2019 - June 2023
<b>Organisation type:</b>	TEF(3)
<b>Progress:</b>	Initiated(2), Implementing(1)
<b>Additional information:</b>	This is a step led by T.E.F. projects and will inform ENA ONP development activities associated with this topic.

### Step 5

<b>Step:</b>	<b>Licence condition on procurement and use of Distribution Flexibility Services</b>
<b>Step type:</b>	Enablers / Dependencies / Barriers
<b>Description:</b>	Ofgem published in 2020 an open letter on changes to licence conditions as a result of the transposition of the Clean Energy Package (CEP). This letter included a new licence condition on Procurement and Use of Distribution Flexibility Services.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	August 2020 - November 2020
<b>Organisation type:</b>	Regulator(1)
<b>Progress:</b>	Completed(1)
<b>Additional information:</b>	

## Step 6

Step:	Implementation of DSO flexibility procurement licence conditions
Step type:	Network actions
Description:	Ofgem published in 2020 an open letter on changes to licence conditions as a result of the transposition of the Clean Energy Package (CEP). This letter included a new licence condition on Procurement and Use of Distribution Flexibility Services. DNOs to implement changes and processes to meet condition's requirements
ENA ONP Product:	N/A
Timeline:	December 2020 - March 2022
Organisation type:	DNO(6)
Progress:	Initiated(3), Implementing(3)
Additional information:	

## Step 7

Step:	Steps from individual organisations related to this activity
Step type:	Aggregated steps
Description:	This step aggregates steps required for individual DNOs or TOs to implement DSO functionality, but which have no wider industry relevance.
ENA ONP Product:	N/A
Timeline:	June 2020 - March 2023
Organisation type:	DNO(1)
Progress:	Initiated(1)
Additional information:	One step has been added by a DNO and refers to organisational changes and additional resourcing in order to manage actions related to this activity.



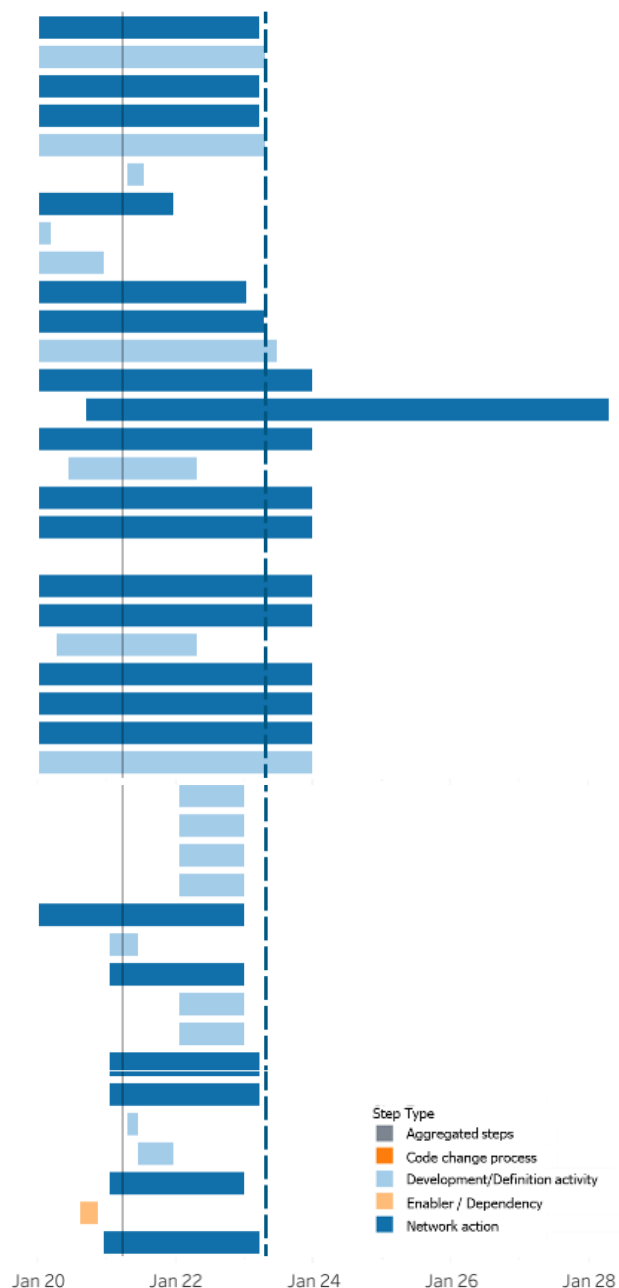
## Activity C: Service selection

Description: Transparency of decisions and actions when choosing the optimal selection of flexibility services. May include a framework/rules/criteria.

Figure 8 displays the roadmap for activity C which consists of 42 unique steps:

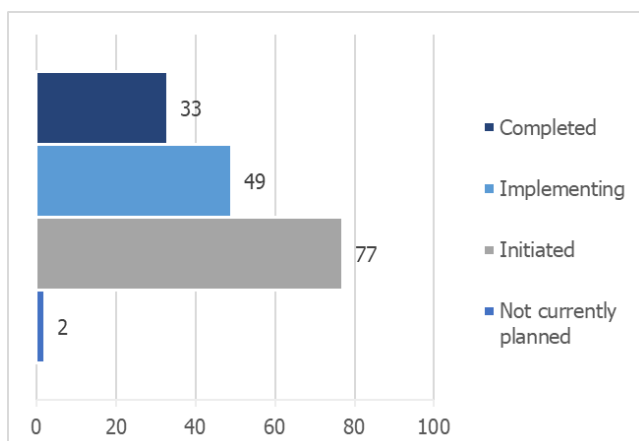
### Step

1. Flex. Commitment: Open and Transparent Pro..
2. Flex. Commitment: Open and Transparent Pro..
3. Flex. Commitment: Dispatch - Fairness and Cl..
4. Flex. Commitment: Dispatch - Decision Making
5. Flex. Commitment: Dispatch - Fairness and Cl..
6. Decision on the regulatory treatment of provi..
7. Procurement processes: Assessment of relati..
8. DSO Services – Dispatch and Settlement Proc..
9. DNO Common Evaluation Methodology
10. DNO Common Evaluation Methodology-pha..
11. DNO Common Evaluation Methodology-pha..
12. Explore optimisation of flexibility services a..
13. Develop a Flexibility Service Management To..
14. Implement changes as per Ofgem's decision ..
15. Dispatch process - flow chart
16. Flex. Commitment: Open and Transparent Pr..
17. Use of DSO automated dispatch signals.
18. Adopt consistent and fair availability/dispat..
19. Dispatch and Settlement Processes
20. Settlement process - flow chart
21. Carry out automated settlement
22. Phase 2 common methodology on ANM vs fle..
23. Carry out performance verification for settle..
24. Perform real-time metering for settlement p..
25. Publish dispatch decision criteria for near re..
26. Share learning from Dispatch & Settlement p..
27. Review and Enhance Dispatch & Settlement ..
28. Payment Calculations' & 'Penalties' methodo..
29. Standardisation of data formats for flexibili..
30. Standardisation of communication exchange..
31. Align flexibility procurement windows
32. Alignment of ESO DNO timelines for procure..
33. Alignment of ESO DNO timelines for procure..
34. Pre-qualification process and requirements
35. ITT Assessment Criteria -procurement proce..
36. Pre-qualification process and requirements
37. ITT Assessment Criteria -procurement proce..
38. Enhance Common Evaluation Methodology a..
39. Enhance Common Evaluation Methodology a..
40. Implement updated CEM tool and methodolo..
41. Licence condition on procurement and use of..
42. Implementation of DSO flexibility procurem..



**Figure 8 Service Optimisation – Activity C roadmap**

Figure 9 shows the total number of organisations' contributions to the unique steps. As of March 2021, 2 (~1%) of organisations' contributions in this activity are currently not planned. Nearly half (~48%) in this activity are in the organisations' pipeline to implement but have not started yet ("Initiated"). Approximately 20% of the steps have been completed and roughly 30% of them are being implemented.



**Figure 9 Progress against implementation of "Service Optimisation" – Activity C (No. of steps-contributions of each organisation)**

The tables on the following pages provide detailed information for each step under Activity C.

#### Step 1

Step:	Flex. Commitment: Open and Transparent Procurement - Decision
Step type:	Network actions
Description:	As part of ENA Flexibility Next Step 3 (Conduct procurement in Open and Transparent Manner), to be open and transparent when deciding how and why services have been procured from different solutions in order to meet network needs, such as flexibility services from the market, smart grid solutions and traditional network reinforcement.
ENA ONP Product:	Flex. Commitment
Timeline:	January 2018 - March 2023
Organisation type:	DNO(6), ESO(1)
Progress:	Implementing(5), Completed(2)
Additional information:	<p>DNOs have flagged that although their decision-making processes are developed, further work is required to improve transparency. ENA ONP deliverables (2020 WS1A P1) have been identified as an enabler to this step, especially with regard to standardisation of the assessment approach and decision making and to transparent decision making.</p> <p>Link to flexibility commitment documents:</p> <p><a href="https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf">https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf</a></p>

## Step 2

Step:	Flex. Commitment: Open and Transparent Procurement - Decision
Step type:	Development / definition activity
Description:	As part of ENA Flexibility Next Step 3 (Conduct procurement in Open and Transparent Manner), to be open and transparent when deciding how and why services have been procured from different solutions in order to meet network needs, such as flexibility services from the market, smart grid solutions and traditional network reinforcement.
ENA ONP Product:	Flex. Commitment
Timeline:	June 2019 - April 2023
Organisation type:	ENA ONP(1)
Progress:	Implementing(1)
Additional information:	<p>This step reflects ENA ONP contribution to this flexibility commitment. ENA ONP development of 2020 WS1A P1 is relevant to this commitment.</p> <p>Link to flexibility commitment documents:</p> <p><a href="https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf">https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf</a></p>

## Step 3

Step:	Flex. Commitment: Dispatch - Fairness and Clarity
Step type:	Network actions
Description:	As part of ENA Flexibility Next Step 4 (Provide Clarity on the dispatch of services), to take a fair and clear approach to the dispatch of flexibility services to meet electricity system or network needs by setting out the terms and methodology adopted.
ENA ONP Product:	Flex. Commitment
Timeline:	January 2018 - March 2023
Organisation type:	DNO(6)
Progress:	Implementing(2), Completed(4)
Additional information:	<p>Similar to step 1, DNOs have flagged that although their decision-making processes are developed, further work is required to improve transparency. ENA ONP deliverables (WS1A P1) have been identified as an enabler to this step, especially with regard to standardisation of the assessment approach and decision making and to transparent decision making.</p> <p>One DNO has mentioned that they have not been able to procure any flexible services and as such they are at primary development stage of this step.</p> <p>Link to flexibility commitment documents:</p> <p><a href="https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf">https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf</a></p>

## Step 4

<b>Step:</b>	<b>Flex. Commitment: Dispatch - Decision Making</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	As part of ENA Flexibility Next Step 4 (Provide Clarity on the dispatch of services), to provide transparency on decision-making criteria underpinning the dispatch of services.
<b>ENA ONP Product:</b>	Flex. Commitment
<b>Timeline:</b>	January 2018 - March 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(1), Implementing(3), Completed(2)
<b>Additional information:</b>	One DNO has mentioned that they have not been able to procure any flexible services and as such they are at primary development stage of this step. See: <a href="https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf">https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf</a>

#### Step 5

<b>Step:</b>	<b>Flex. Commitment: Dispatch - Fairness and Clarity</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	As part of ENA Flexibility Next Step 4 (Provide Clarity on the dispatch of services), to take a fair and clear approach to the dispatch of flexibility services to meet electricity system or network needs by setting out the terms and methodology adopted.
<b>ENA ONP Product:</b>	Flex. Commitment
<b>Timeline:</b>	June 2019 - April 2023
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Implementing(1)
<b>Additional information:</b>	This step reflects ENA ONP contribution to this flexibility commitment. ENA ONP development of 2020 WS1A P1 is relevant to this commitment. See: <a href="https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf">https://www.energynetworks.org/industry-hub/resource-library/open-networks-2019-implementation-of-flexibility-next-steps.pdf</a>

#### Step 6

<b>Step:</b>	<b>Decision on the regulatory treatment of provision of flexibility services from DNOs' network assets.</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	Ofgem's decision on the regulatory treatment in RIIO ED2 of DNOs providing network voltage control and network management services, via the remote management of deployed network assets, to the ESO for its balancing services activity. This service is commonly known as CLASS.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	April 2021 - July 2020
<b>Organisation type:</b>	Regulator(1)
<b>Progress:</b>	Implementing(1)
<b>Additional information:</b>	As per Ofgem, the position consulted on would not take effect until 2023 (and the minded-to position would only represent a continuation of an existing regulatory regime). This step will inform step 14 for the DNOs. For more information on the CLASS consultation: <a href="https://www.ofgem.gov.uk/publications-and-updates/regulatory-treatment-class-balancing-service-riio-ed2-network-price-control">https://www.ofgem.gov.uk/publications-and-updates/regulatory-treatment-class-balancing-service-riio-ed2-network-price-control</a>

## Step 7

Step:	Procurement processes: Assessment of relative merits
Step type:	Network actions
Description:	ENA ONP Workstream 1A Product 2 published in July 2019 a report on DER Services-procurement review and set out good practice for DNOs when DNOs formally issue notice to launch a procurement exercised for a DSO service. The good practice is for DNOs to assess through experience the relative merits of the different approaches to procurement.
ENA ONP Product:	2019 WS1A P2
Timeline:	June 2018 - December 2021
Organisation type:	DNO(6)
Progress:	Initiated(1), Implementing(2), Completed(3)
Additional information:	<p>DNOs have highlighted that learnings from each other are very beneficial for implementing this step. They have also mentioned that this is a challenging process and different customer types in different geographical areas require different approaches in assessing relative merits.</p> <p>Link to the document with the good practice below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P2%20DSO%20Services%20Procurement%20Processes%20Dec%2019%20Update%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P2%20DSO%20Services%20Procurement%20Processes%20Dec%2019%20Update%20(PUBLISHED).pdf</a></p>

## Step 8

Step:	DSO Services – Dispatch and Settlement Processes
Step type:	Development / definition activity
Description:	ENA ONP Workstream 1A Product 3 (2019) reviews current activation, dispatch and settlement processes and develops good practice for activation and dispatch and identify what DNO capabilities are required to support this. This good practice includes alignment of DSO and NG ESO services in terms of procurement, timescales, service windows and contract terms as much as possible.
ENA ONP Product:	2019 WS1A P3
Timeline:	January 2019 - March 2020
Organisation type:	ENA ONP(1)
Progress:	Completed(1)
Additional information:	<p>This ENA ONP development activity has now been completed and has produced a number of good practice and implementation actions for DNOs (see steps 15, 17, 18, 20, 21, 23-30 ).</p> <p>Link to the final report for dispatch and settlement process below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a></p>

## Step 9

<b>Step:</b>	<b>DNO Common Evaluation Methodology</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	ENA ONP Workstream 1A Product 1 (2020) delivers a common methodology across DNOs for how they choose between Active Network Management (ANM) vs Reinforcement vs Flexibility Services to meet network needs, including a Cost Benefit Analysis of the different options. This includes the development a common flexibility valuation methodology as part of that decision-making methodology, ensuring consistency and transparency in approach.
<b>ENA ONP Product:</b>	2020 WS1A P1
<b>Timeline:</b>	January 2020 - December 2020
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Implementing(1)
<b>Additional information:</b>	This step will provide inputs for implementation by DNOs (steps 10 and 11). For more information on the common evaluation methodology and tool please see: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N20-WS1A-P1%20Common%20Evaluation%20Methodology-PUBLISHED.23.12.20.pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N20-WS1A-P1%20Common%20Evaluation%20Methodology-PUBLISHED.23.12.20.pdf</a>

#### Step 10

<b>Step:</b>	<b>DNO Common Evaluation Methodology-phase 1</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	Implement ANM vs Flexibility vs reinforcement common methodology as per ENA ONP Workstream 1A Product 1 (2020). Phase 1 will be completed within ED1 with the adoption of the recommendations by the DNOs. Exact timing may vary between DNOs depending on when they are best placed to facilitate change without disrupting existing procurement cycles. This product will be an input to RIIO-ED2 business planning.
<b>ENA ONP Product:</b>	2020 WS1A P1
<b>Timeline:</b>	January 2020 - December 2022
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(5), Implementing(1)
<b>Additional information:</b>	This step depends on ENA ONP development activity – step 9. As per DNOs, funding mechanisms by Ofgem will also be a key input on DNOs' processes to choose between Flexibility Reinforcement and ANM. For more information on this step please see the common evaluation methodology and tool report: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N20-WS1A-P1%20Common%20Evaluation%20Methodology-PUBLISHED.23.12.20.pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N20-WS1A-P1%20Common%20Evaluation%20Methodology-PUBLISHED.23.12.20.pdf</a>

#### Step 11

<b>Step:</b>	<b>DNO Common Evaluation Methodology-phase 2</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	Implement ANM vs Flexibility vs reinforcement common methodology as per ENA ONP Workstream 1A Product 1 (2020). Phase 2 involves the implementation of the recommendation and the methodology within ED2. Exact timing may vary between DNOs depending on when they are best placed to facilitate change without disrupting existing procurement cycles. This product will be an input to RIIO-ED2 business planning.
<b>ENA ONP Product:</b>	2020 WS1A P1
<b>Timeline:</b>	January 2020 - March 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(6)
<b>Additional information:</b>	This step is a continuation of step 10 and depends on outcomes of the ENA ONP development activity – step 9. As per DNOs, funding mechanisms by Ofgem will also be a key input on DNOs' processes to choose between Flexibility Reinforcement and ANM. Other key areas to be considered when DNOs implementing this step are changes to Ofgem CBA for ED2 and future methodological changes agreed with Ofgem (e.g. carbon assessment and option pricing). See: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N20-WS1A-P1%20Common%20Evaluation%20Methodology-PUBLISHED.23.12.20.pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N20-WS1A-P1%20Common%20Evaluation%20Methodology-PUBLISHED.23.12.20.pdf</a>

#### Step 12

<b>Step:</b>	<b>Explore optimisation of flexibility services and physically trial</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	TEF projects investigate available data and optimisation processes of flexibility services, such as short-term procurement and dispatch, that will be tested in practice through physical trials before the end of the projects.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	April 2019 - June 2023
<b>Organisation type:</b>	TEF(3)
<b>Progress:</b>	Initiated(2), Implementing(1)
<b>Additional information:</b>	This is a step led by T.E.F. projects and will inform ENA ONP development activities associated with this topic.

#### Step 13

<b>Step:</b>	<b>Develop a Flexibility Service Management Tool</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	Implementation of systems to manage allocation, dispatch and settlement of procured flexibility.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	April 2018 - December 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(1), Implementing(4), Completed(1)
<b>Additional information:</b>	This is a common step for all DNOs, outside the ENA ONP workstreams. One DNO mentioned that implementation of this step depends on the development of ANM system.



#### Step 14

<b>Step:</b>	<b>Implement changes as per Ofgem's decision on the provision of flexibility from funded assets</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	Following Ofgem's decision on the regulatory treatment of the provision of flexibility services to funded assets (CLASS consultation), DNOs must implement changes to make the position effective. Any related changes will be effective within the RIIO-ED2 price control period.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	September 2020 - March 2028
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(6)
<b>Additional information:</b>	This step is dependent on Ofgem's CLASS consultation (step 6). As per Ofgem, the position consulted on would not take effect until 2023 (and the minded-to position would only represent a continuation of an existing regulatory regime). More information on the CLASS consultation can be found below: <a href="https://www.ofgem.gov.uk/publications-and-updates/regulatory-treatment-class-balancing-service-riio-ed2-network-price-control">https://www.ofgem.gov.uk/publications-and-updates/regulatory-treatment-class-balancing-service-riio-ed2-network-price-control</a>

#### Step 15

<b>Step:</b>	<b>Dispatch process - flow chart</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	DNOs produced Good Practice flow charts for the dispatch process as part of the ENA ONP Workstream 1A Product 3 (2019). DNOs to ensure that they adhere to the process defined in the flow chart in relation to dispatch.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	December 2019 - December 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(2), Implementing(1), Completed(3)
<b>Additional information:</b>	This step is linked to the ENA ONP development activity (step 8). For more details on this step, please see the document below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a>

#### Step 16

<b>Step:</b>	<b>Flex. Commitment: Open and Transparent Procurement - Decision</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	TRANSITION through the System Coordinator shall test various decision-making criteria, building on outputs related to this Flexibility Commitment through 2020 and 2021. Offers a testbed for criteria difficult to test outside a project environment. Links in with MERLIN which is looking at longer term economic viability of DSO markets and Project LEO which can show the impact of various decisions on customer groups.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	June 2020 - April 2022
<b>Organisation type:</b>	TEF(1)



<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	This step was added by project TRANSITION and contributes towards the specific flexibility commitment.

#### Step 17

<b>Step:</b>	<b>Use of DSO automated dispatch signals.</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	ENA ONP Workstream 1A Product 3 (2019) good practice: Long term, automated dispatch systems offer the greatest level of efficiency, accuracy and reliability. Where increased flexibility activity makes manual signalling in-efficient due to resource intensity, the DNO should adopt an automated system.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	December 2019 - December 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(2), Implementing(2), Completed(2)
<b>Additional information:</b>	This step is linked to the ENA ONP development activity (step 8). To implement this step DNOs need to have sufficient need to dispatch contracted flexible service. Also one DNO has mentioned that the delivery of ANM system will facilitate automated dispatch. For more details on this step, please see the document below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a>

#### Step 18

<b>Step:</b>	<b>Adopt consistent and fair availability/dispatch criteria.</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	ENA ONP Workstream 1A Product 3 (2019) good practice: Where multiple flexibility providers could provide a service in excess of the requirement, a DNO should adopt consistent and fair criteria to assess which flexibility providers will be secured for capacity availability and/or utilisation. The ENA product team has developed Guiding Principles for the application of decision criteria.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	July 2018 - December 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Implementing(3), Completed(3)
<b>Additional information:</b>	This step is linked to the ENA ONP development activity (step 8). For DNOs that do not over procure flexible services, there is no required for this action yet. For more details on this step, please see the document below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a>

#### Step 19

<b>Step:</b>	<b>Dispatch and Settlement Processes</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	The T.E.F. projects are adopting and building on ENA ONP's outputs (Workstream 1A Product 3 Dispatch and Settlement Processes) where practicable for the demonstrations. T.E.F. shall provide a bottom up approach and feed into the development of many WS1A Products

	including Product 3 throughout 2020. Project focus is on the longer term dispatch approach needed during ED2 and into ED3.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	N/A
<b>Organisation type:</b>	TEF(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	This is a TRANSITION-led step that will inform ENA ONP development activities related to Dispatch and Settlement processes.

#### Step 20

<b>Step:</b>	<b>Settlement process - flow chart</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	DNOs produced Good Practice flow charts for the settlement process as part of the ENA ONP Workstream 1A Product 3 (2019). DNOs to ensure that they adhere to the process defined in the flow chart in relation to settlement.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	December 2019 - December 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(1), Implementing(2), Completed(3)
<b>Additional information:</b>	This step is linked to the ENA ONP development activity (step 8). As per DNOs, to invest to automated settlement sufficient volumes of flexible services are required. See: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a>

#### Step 21

<b>Step:</b>	<b>Carry out automated settlement</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	ENA ONP Workstream 1A Product 3 (2019) good practice: As volumes of flexibility requirements increase, DNOs not already using a system to automated settlement should consider the cost effectiveness of doing so.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	December 2019 - December 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(2), Implementing(2), Completed(2)
<b>Additional information:</b>	This step is linked to the ENA ONP development activity (step 8). As per DNOs, to invest to automated settlement sufficient volumes of flexible services are required. See: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a>

#### Step 22

<b>Step:</b>	<b>Phase 2 common methodology on ANM vs flexibility vs network reinforcement</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	Stacked approach to Service valuation forms part of the broader ANM vs Flex vs Reinforcement methodology, thus suggest this new step to highlight TEF work in this area and the opportunity to test the higher

	risk, least tested methodologies. This step has also been covered to some extent in Investment Planning Activity C.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	April 2020 - April 2022
<b>Organisation type:</b>	TEF(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	This is a TRANSITION-led step that will inform ENA ONP activities (2020 WS1A P1) and associated DNO steps.

#### Step 23

<b>Step:</b>	<b>Carry out performance verification for settlement processes</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	ENA ONP Workstream 1A Product 3 (2019) good practice: As volumes of flexibility requirements increase, DNOs not already using a system to automated verification should consider the cost effectiveness of doing so.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	December 2019 - December 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(2), Implementing(2), Completed(2)
<b>Additional information:</b>	<p>This step is linked to the ENA ONP development activity (step 8). As per DNOs, to invest to automated settlement sufficient volumes of flexible services are required.</p> <p>For more details on this step, please see the document below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a></p>

#### Step 24

<b>Step:</b>	<b>Perform real-time metering for settlement processes</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	ENA ONP Workstream 1A Product 3 (2019) good practice: As DNOs develop into real time operation of active products, the ability to receive and verify metering data in real time is advantageous.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	December 2019 - December 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(3), Implementing(2), Completed(1)
<b>Additional information:</b>	<p>This step is linked to the ENA ONP development activity (step 8). As per DNOs, to invest to automated settlement sufficient volumes of flexible services are required.</p> <p>For more details on this step, please see the document below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a></p>

#### Step 25

<b>Step:</b>	<b>Publish dispatch decision criteria for near real time</b>
<b>Step type:</b>	Network actions

<b>Description:</b>	All DNOs to publish their decision criteria for near real-time dispatch as this has been advised by the ENA ONP Workstream 1A Product 3 dispatch guiding principles.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	December 2019 - December 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(3), Implementing(2), Completed(1)
<b>Additional information:</b>	This step is linked to the ENA ONP development activity (step 8). For more details on this step, please see the document below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a>

#### Step 26

<b>Step:</b>	<b>Share learning from Dispatch &amp; Settlement processes</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	DNOs to share learning on Dispatch & Settlement from developing and operating flexibility within 2020. This step is linked to the 2019 ENA ONP Workstream 3 Product 1.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	December 2019 - December 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(4), Implementing(2)
<b>Additional information:</b>	This step is linked to the ENA ONP development activity (step 8). DNOs will share learnings of implementing all the associated steps (see steps 9, 11, 13 - 23). DNOs who will not procure flexibility within 2020 will not contribute to this step. For more details on this step, please see the document below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a>

#### Step 27

<b>Step:</b>	<b>Review and Enhance Dispatch &amp; Settlement processes</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	DNO representatives will re-group to share learning and experience on Dispatch and Settlement Processes. This shared learning will inform what activity the Open Networks project might want to undertake in Dispatch & Settlement in 2021. This step is linked to the 2019 ENA ONP Workstream 3 Product 1.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	January 2022 - December 2022
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	This step is dependent on step 26 and the lessons learnt from the dispatch and settlement processes within 2020. This step will inform ENA ONP 2021 plan (steps 28-30). For more details on this step, please see the document below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a>

#### Step 28

<b>Step:</b>	<b>Payment Calculations' &amp; 'Penalties' methodologies for flexibility services</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	The ENA ON product team will further develop 'Payment Calculations' & 'Penalties' methodologies to identify good practice and identify commonality opportunities. ENA ONP Workstream 1A Product 3 has highlighted this area for further development.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	January 2022 - December 2022
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	This is an ENA ONP-led step. As per ENA ONP, this step is highly likely to be part of 2021 ENW ONP activities. For more details on this step, please see the document below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a>

#### Step 29

<b>Step:</b>	<b>Standardisation of data formats for flexibility services</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	The ENA ON product team will Determine and employ strategy to achieve standardisation of published flexibility requirement data and flexibility post requirement data. ENA ONP Workstream 1A Product 3 has highlighted this area for further development.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	January 2022 - December 2022
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	This is an ENA ONP-led step. As per ENA ONP, this step is highly likely to be part of 2021 ENW ONP activities. For more details on this step, please see the document below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf</a>

#### Step 30

<b>Step:</b>	<b>Standardisation of communication exchange and protocols for flexibility services</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	The ENA ON product team will determine and employ strategy to achieve standardisation of communication exchanges and protocols. ENA ONP Workstream 1A Product 3 has highlighted this area for further development.
<b>ENA ONP Product:</b>	2019 WS1A P3
<b>Timeline:</b>	January 2022 - December 2022
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	This is an ENA ONP-led step. As per ENA ONP, this step is highly likely to be part of 2021 ENA ONP activities.

For more details on this step, please see the document below:  
[https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P3%20Dispatch%20Settlement%20Processes%20\(PUBLISHED\).pdf](https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P3%20Dispatch%20Settlement%20Processes%20(PUBLISHED).pdf)

#### Step 31

Step:	Align flexibility procurement windows
Step type:	Network actions
Description:	In 2020 (under ENA ONP Workstream 1A) DNOs consulted stakeholders on the benefits of converging on procurement windows. In 2021, DNOs will implement processes to align the assessment stages and milestones in the flexibility procurement cycle.
ENA ONP Product:	2020 WS1A P2
Timeline:	January 2020 - December 2022
Organisation type:	DNO(6)
Progress:	Initiated(3), Implementing(1), Completed(2)
Additional information:	For more information please see the link below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON20-WS1A-P2%20Procurement%20coordination%20implementation-PUBLISHED.23.12.20.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON20-WS1A-P2%20Procurement%20coordination%20implementation-PUBLISHED.23.12.20.pdf</a>

#### Step 32

Step:	Alignment of ESO DNO timelines for procurement
Step type:	Development / definition activity
Description:	In previous years, this product has defined common flexibility services, delivered alignment across DNOs on procurement activities including how and when tenders are assessed by DNOs. In 2021, this product focuses on delivering further alignment on procurement timescales between the DNOs and the ESO (including consideration of the Capacity Market).
ENA ONP Product:	2021 WS1A P2
Timeline:	January 2021 - June 2021
Organisation type:	ENA ONP(1)
Progress:	Implementing(1)
Additional information:	For more information please see link below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

#### Step 33

Step:	Alignment of ESO DNO timelines for procurement
Step type:	Network actions
Description:	DNOs and ESO to implement changes to align with the ESO on procurement timescales which will be informed by ENA Open Networks' work. This step only covers the alignment across ESO and DNOs.
ENA ONP Product:	2021 WS1A P2
Timeline:	January 2021 - December 2022
Organisation type:	DNO(6), ESO(1)
Progress:	Initiated(3), Implementing(4)



**Additional information:**

For more information please see link below:

<https://www.energynetworks.org/assets/images/Resource%20library/O N21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf>

**Step 34**

Step:	Pre-qualification process and requirements
Step type:	Development / definition activity
Description:	Based on work done in 2020, DNOs are now aligned on the use and timing stages of Pre-Qualification Questionnaires. Building on this work the product will undertake further work to deliver alignment on the prequalification requirements across both T & D and simplify them where possible.
ENA ONP Product:	2021 WS1A P2
Timeline:	January 2022 - December 2022
Organisation type:	ENA ONP(1)
Progress:	Initiated(1)
Additional information:	For more information please see link below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

**Step 35**

Step:	ITT Assessment Criteria -procurement processes
Step type:	Development / definition activity
Description:	Refine assessment criteria identified in 2020 to make it more inclusive of all technologies (as per feedback from Jul 20 Consultation) and utilise the WS1A P1 Common Evaluation Methodology tool.
ENA ONP Product:	2021 WS1A P2
Timeline:	January 2022 - December 2022
Organisation type:	ENA ONP(1)
Progress:	Initiated(1)
Additional information:	For more information please see link below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/O N21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/O N21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

**Step 36**

Step:	Pre-qualification process and requirements
Step type:	Network actions
Description:	Implement pre-qualification process and requirements as per deliverables of ENA ONP's work which will take place in 2022.
ENA ONP Product:	2021 WS1A P2
Timeline:	January 2021 - March 2023
Organisation type:	DNO(6)
Progress:	Not currently planned(1), Initiated(5)

<b>Additional information:</b>	For more information please see link below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>
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#### Step 37

<b>Step:</b>	<b>ITT Assessment Criteria -procurement processes</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	Implement process to use the ITT assessment criteria for procurement processes as per deliverables of ENA ONP's work which will take place in 2022.
<b>ENA ONP Product:</b>	2021 WS1A P2
<b>Timeline:</b>	January 2021 - March 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(6)
<b>Additional information:</b>	For more information please see link below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

#### Step 38

<b>Step:</b>	<b>Enhance Common Evaluation Methodology and Tool Phase 1</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	The aim of 2021 WS1A P1 is to review and consider methodological enhancements to the Common Evaluation Methodology and Tool in the areas of optionality and carbon assessment. Phase 1 of 2021 will set up open governance arrangements by creating a CEM forum under open governance arrangements. This forum will be made up of the product team and include interested industry reps.
<b>ENA ONP Product:</b>	2021 WS1A P1
<b>Timeline:</b>	April 2021 - June 2021
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	For more information please see link below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

#### Step 39

<b>Step:</b>	<b>Enhance Common Evaluation Methodology and Tool Phase 2</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	The aim of 2021 WS1A P1 is to review and consider methodological enhancements to the Common Evaluation Methodology and Tool in the areas of optionality and carbon assessment. Phase 2 will review existing approaches to option value and carbon assessment. The CEM forum will review current approaches, generate new approached, analyse options, recommend and implement changes



<b>ENA ONP Product:</b>	2021 WS1A P1
<b>Timeline:</b>	June 2021 - December 2021
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	For more information please see link below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

#### Step 40

<b>Step:</b>	<b>Implement updated CEM tool and methodology.</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	The implementation date of the tool and methodology which were published in December 2020 is April 2021 (see step related to 2020 WS1A P1). This step refers to the implementation of the next version of the tool and methodology which will be within 2022.
<b>ENA ONP Product:</b>	2021 WS1A P1
<b>Timeline:</b>	January 2021 - December 2022
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Not currently planned(1), Initiated(5)
<b>Additional information:</b>	For more information please see link below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

#### Step 41

<b>Step:</b>	<b>Licence condition on procurement and use of Distribution Flexibility Services</b>
<b>Step type:</b>	Enablers / Dependencies / Barriers
<b>Description:</b>	Ofgem published in 2020 an open letter on changes to licence conditions as a result of the transposition of the Clean Energy Package (CEP). This letter included a new licence condition on Procurement and Use of Distribution Flexibility Services.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	August 2020 - November 2020
<b>Organisation type:</b>	Regulator(1)
<b>Progress:</b>	Completed(1)
<b>Additional information:</b>	

#### Step 42

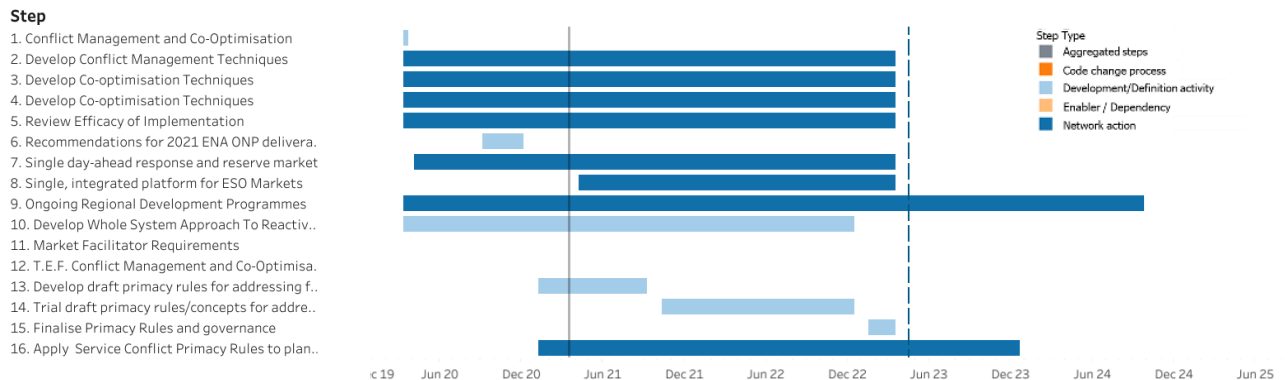
<b>Step:</b>	<b>Implementation of DSO flexibility procurement licence conditions</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	Ofgem published in 2020 an open letter on changes to licence conditions as a result of the transposition of the Clean Energy Package

	(CEP). This letter included a new licence condition on Procurement and Use of Distribution Flexibility Services. DNOs to implement changes and processes to meet condition's requirements
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	December 2020 - March 2023
<b>Organisation type:</b>	DNO(6)
<b>Progress:</b>	Initiated(3), Implementing(3)
<b>Additional information:</b>	

## Activity D: T-D co-ordination

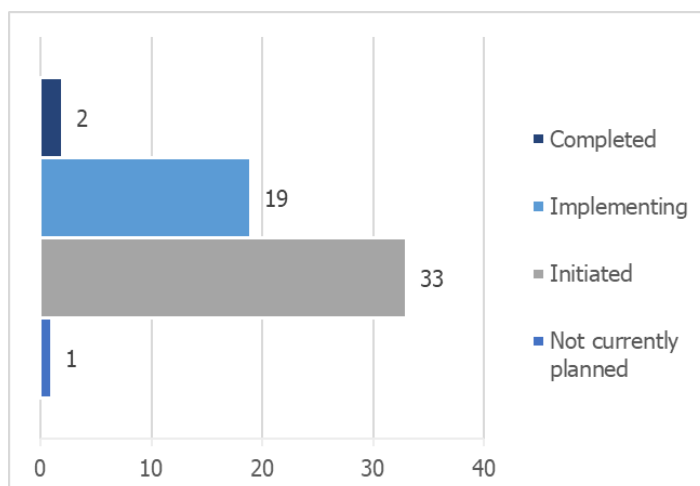
Description: How issues and solutions on both T & D are co-ordinated to enable efficient whole system outcomes.

Figure 10 displays the roadmap for activity D which consists of 16 unique steps:



**Figure 10 Service Optimisation – Activity D roadmap**

Figure 11 shows the total number of organisations' contributions to the unique steps. As of March 2021 most steps (60%) of this activity are in the organisations' pipeline to implement but have not started yet ("Initiated"). Only two organisations have completed one step and just over one third of the steps are being implemented.



**Figure 11 Progress against implementation of "Service Optimisation" – Activity D (No. of steps-contributions of each organisation)**

The tables on the following pages provide detailed information for each step under Activity D.

## Step 1

Step:	Conflict Management and Co-Optimisation
Step type:	Development / definition activity
Description:	ENA ONP Workstream 1A Product 5 (2019) seeks to develop new techniques to manage service conflict and deliver co-optimisation between services. These techniques will be implemented through Regional Development Programmes (RDPs), Trans-European Replacement Reserve Exchange (TERRE) and other flexibility market case studies.
ENA ONP Product:	2019 WS1A P5
Timeline:	January 2019 - March 2020
Organisation type:	ENA ONP(1)
Progress:	Completed(1)
Additional information:	<p>This is an ENA ONP led step that has now been completed. This step is linked to steps 2 to 5 below.</p> <p>For the final report of this step please see link below:</p> <p><a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf</a></p>

## Step 2

Step:	Develop Conflict Management Techniques
Step type:	Network actions
Description:	DNOs and the ESO to develop and trial conflict management actions through RDPs, and other flexibility market case studies. Actions include provision of Service Conflict identification, adoption of informed procurement processes, conforming to SLA. This step is also informed by Open Networks' work (e.g. final report of ENA ONP 2019 Workstream 1A Product 4, 2021 workstream 1A, product 5).
ENA ONP Product:	2019 WS1A P5
Timeline:	January 2018 - March 2023
Organisation type:	DNO(6), ESO(1)
Progress:	Initiated(3), Implementing(4)
Additional information:	<p>This step is dependent on step 1. More information on ENA ONP final report that informs this step can be found in the link below:</p> <p><a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf</a></p>

## Step 3

Step:	Develop Co-optimisation Techniques
Step type:	Network actions
Description:	DNOs and the ESO to develop and trial co-optimisation actions through RDPs, and other flexibility market case studies as this has been defined in the framework for co-optimisation. This step is also informed by Open Networks' work (e.g. final report of ENA ONP 2019 Workstream 1A Product 4, 2021 workstream 1A, product 5).
ENA ONP Product:	2019 WS1A P5
Timeline:	January 2018 - March 2023
Organisation type:	DNO(6)

<b>Progress:</b>	Initiated(3), Implementing(3)
<b>Additional information:</b>	This step is dependent on step 1. More information on ENA ONP final report that informs this step can be found in the link below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf</a>

#### Step 4

<b>Step:</b>	<b>Develop Co-optimisation Techniques</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	DNOs and the ESO to develop and trial co-optimisation actions through RDPs, and other flexibility market case studies as this has been defined in the framework for co-optimisation. This step is also informed by Open Networks' work (e.g. final report of ENA ONP 2019 Workstream 1A Product 4, 2021 workstream 1A, product 5).
<b>ENA ONP Product:</b>	2019 WS1A P5
<b>Timeline:</b>	January 2019 - March 2023
<b>Organisation type:</b>	ESO(1)
<b>Progress:</b>	Implementing(1)
<b>Additional information:</b>	This step is dependent on step 1. More information on ENA ONP final report that informs this step can be found in the link below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf</a>

#### Step 5

<b>Step:</b>	<b>Review Efficacy of Implementation</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	DNOs and the ESO to review efficacy of conflict management and co-optimisation techniques, following implementation of the associated actions.
<b>ENA ONP Product:</b>	2019 WS1A P5
<b>Timeline:</b>	January 2019 - March 2023
<b>Organisation type:</b>	DNO(6), ESO(1)
<b>Progress:</b>	Initiated(6), Implementing(1)
<b>Additional information:</b>	This step will review outcomes and learnings from steps 2 and 3. More information on ENA ONP final report that informs this step can be found in the link below:  <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf</a>

#### Step 6

<b>Step:</b>	<b>Recommendations for 2021 ENA ONP deliverables on conflict management and co-optimisation.</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	Future improvements to conflict management and co-optimisation techniques will be recommended for consideration under the ENA ONP 2021 work programme.
<b>ENA ONP Product:</b>	2019 WS1A P5
<b>Timeline:</b>	September 2020 - December 2020

<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Completed(1)
<b>Additional information:</b>	This step is dependent on learnings from steps 2,3, and 4 of this activity. ENA ONP has updated their 2021 work programme based on feedback from network companies on conflict management and co-optimisation. <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON19-WS1A-P5%20Final%20Report%20(PUBLISHED).pdf</a>

#### Step 7

<b>Step:</b>	<b>Single day-ahead response and reserve market</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	In the delivery of day ahead market for frequency response the ESO will work with stakeholders, including DNOs, to ensure that ESO markets are consistent and coordinated with other markets.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	April 2020 - March 2023
<b>Organisation type:</b>	ESO(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	ESO-led step included also in ESO's RIIO-2 business plan: <a href="https://www.nationalgrideso.com/document/158051/download">https://www.nationalgrideso.com/document/158051/download</a>

#### Step 8

<b>Step:</b>	<b>Single, integrated platform for ESO Markets</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	The markets platform will cover the end to end process for market participation including communications, data input and management, messaging and validation. The ESO will work with DNOs and others to ensure that common standards, including interoperable systems, a common data model and shared minimum specifications are central to the design and delivery of the single markets platform. This interface will give platform operators better visibility of what services are being provided to whom, as well as any network limitations on service provision. The foundation of the platform will be an asset register identifying each unique asset on the transmission or distribution system that is participating in markets.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	April 2021 - March 2023
<b>Organisation type:</b>	ESO(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	ESO-led step included also in ESO's RIIO-2 business plan: <a href="https://www.nationalgrideso.com/document/158051/download">https://www.nationalgrideso.com/document/158051/download</a>

#### Step 9

<b>Step:</b>	<b>Ongoing Regional Development Programmes</b>
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<b>Step type:</b>	Network actions
<b>Description:</b>	Development of Regional Development Programmes with industry partners as and when required. Objective is to inform protocols for short-term contingency planning between DSO & ESO utilising ancillary services. Implement new commercial contracts that optimise use of existing network assets by allowing DER to connect and provide transmission constraint management services to help manage their impact. ESO/ DNOs/ TOs collaboration to develop enhanced ways of working that facilitate active DER management for transmission system needs. DNOs and ESO to develop a process that facilitates proactive identification of future RDPs.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	August 2016 - September 2024
<b>Organisation type:</b>	ESO(1), DNO(6), TO(3)
<b>Progress:</b>	Initiated(3), Implementing(7)
<b>Additional information:</b>	Currently most companies are in discussion with the ESO or already implementing a regional development programme. One DNO is not currently planning an RDP, on the basis that current needs/requirements do not drive such an action. Most information can be found on the ESO's website: <a href="https://www.nationalgrideso.com/research-publications/regional-development-programmes">https://www.nationalgrideso.com/research-publications/regional-development-programmes</a>

#### Step 10

<b>Step:</b>	<b>Develop Whole System Approach to Reactive Power Services</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	The ESO and the DNOs to work together to increase system flexibility by using more DER (Distributed Energy Resources) capabilities and provide network support at a distribution and transmission level, including new reactive power markets. As part of that, the ESO is working with UKPN on the Power Potential (NIC project) to understand how reactive power services can be co-ordinated for both transmission and distribution needs. Through this the ESO will generate additional capacity on the whole electricity system.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	January 2017 - December 2022
<b>Organisation type:</b>	ESO(1), DNO(6)
<b>Progress:</b>	Not currently planned(1), Initiated(4), Implementing(2)
<b>Additional information:</b>	This step is currently implemented by the ESO and UKPN, who are working together on the Power Potential project. DNOs are monitoring outcomes of this project for further implementation of the step. Link to the project below: <a href="https://www.nationalgrideso.com/future-energy/innovation/projects/power-potential">https://www.nationalgrideso.com/future-energy/innovation/projects/power-potential</a> <a href="https://innovation.ukpowernetworks.co.uk/projects/power-potential/">https://innovation.ukpowernetworks.co.uk/projects/power-potential/</a>

#### Step 11

<b>Step:</b>	<b>Market Facilitator Requirements</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	TRANSITION and Project LEO are developing a market facilitation platform to test DSO and Non-DSO services with a broad range of technologies and customer groups. It is noted that some elements may owned and delivered by third parties in the future, but during the

	trials it is vital to cater for such functionality within a single testbed. While Step 5 takes a top down approach, this Step looks at the topic from the bottom up
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	N/A
<b>Organisation type:</b>	TEF(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	This is a TRANSITION-led step. As per project TRANSITION, this step linked to ESO's step "Single integrated platform for ESO Markets". Project TRANSITION will take a bottom up approach to deliver this step.

#### Step 12

<b>Step:</b>	<b>T.E.F. Conflict Management and Co-Optimisation</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	EFFS and Transition are leading the T.E.F. input into this area. While the EFFS process for identifying and resolving conflicts is already outlined, if possible the recommendations from ENA ONP's product Workstream 1A Product 5 2019) will be included in the trial to provide feedback on practicality. TRANSITION proposes to build on EFFS learning, develop and trial more widely out to mid 2023.
<b>ENA ONP Product:</b>	N/A
<b>Timeline:</b>	N/A
<b>Organisation type:</b>	TEF(2)
<b>Progress:</b>	Initiated(2)
<b>Additional information:</b>	This step is led by TRANSITION and EFFS. The step is dependent on ENA ONP deliverables of 2019 WS1A P5.

#### Step 13

<b>Step:</b>	<b>Develop draft primacy rules for addressing flexibility service conflicts.</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	2021 WS1A P5 will develop a draft set of principles and primacy rules (Version 1) for addressing flexibility service conflicts (T-D). These rules will look to balance: the local networks' technical requirements; the risks to the overall operability of the whole system; the value for Flexibility Service Providers (FSPs) through the facilitation of market / price driven actions; the needs of emerging market based platform developers; and ultimately the end consumer.
<b>ENA ONP Product:</b>	2021 WS1A P5
<b>Timeline:</b>	January 2021 - September 2021
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Implementing(1)
<b>Additional information:</b>	For more information on this step please see the link below: <a href="https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

#### Step 14

<b>Step:</b>	<b>Trial draft primacy rules/concepts for addressing flexibility services conflicts.</b>
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<b>Step type:</b>	Development / definition activity
<b>Description:</b>	Following the publication of draft set of principles and primacy rules for addressing flexibility service conflicts (T-D), ENA ONP will trial the draft Primacy Rules / concepts and review impacts [in the Regional Development Programme Areas where the use cases can be accommodated in the live environment].
<b>ENA ONP Product:</b>	2021 WS1A P5
<b>Timeline:</b>	October 2021 - December 2022
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	<a href="https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

#### Step 15

<b>Step:</b>	<b>Finalise Primacy Rules and governance</b>
<b>Step type:</b>	Development / definition activity
<b>Description:</b>	ENA ONP will update principles and primacy rules for addressing flexibility service conflicts (T-D) based on trial learnings and will publish an roll-out implementation plan for network companies.
<b>ENA ONP Product:</b>	2021 WS1A P5
<b>Timeline:</b>	January 2023 - March 2023
<b>Organisation type:</b>	ENA ONP(1)
<b>Progress:</b>	Initiated(1)
<b>Additional information:</b>	<a href="https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

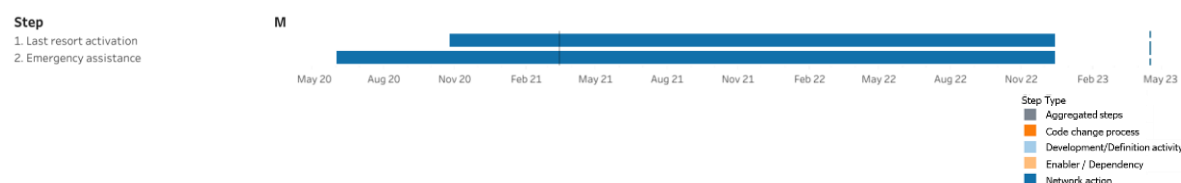
#### Step 16

<b>Step:</b>	<b>Apply Service Conflict Primacy Rules to planning and operational processes</b>
<b>Step type:</b>	Network actions
<b>Description:</b>	DNOs and the ESO to develop and sign off a full roll out programme to accommodate the Primacy Rules, agree change process and governance of Primacy Rules. Depending on the solution(s) identified likely to require major changes to operational processes , enhanced data exchanges / systems. This implementation plan will most likely take place in ED2.
<b>ENA ONP Product:</b>	2021 WS1A P5
<b>Timeline:</b>	January 2021 - December 2023
<b>Organisation type:</b>	DNO(6), ESO(1)
<b>Progress:</b>	Initiated(7)
<b>Additional information:</b>	<a href="https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf">https://www.energynetworks.org/assets/images/Resource%20library/ON21-2021%20Project%20Initiation%20Document%20Pre%20Consultation-PUBLISHED.02.02.21.pdf</a>

## Activity E: Conditions/process of market failure

Description: Identifying when last resort provisions should be enacted.

Figure 12 displays the roadmap for activity E which consists of 2 unique steps:



**Figure 12 Service Optimisation – Activity E roadmap**

The tables on the following pages provide detailed information for each step under Activity E.

### Step 1

Step:	Last resort activation
Step type:	Network actions
Description:	Develop mechanics for activation of last resort provision under market failure - notification, dispatch and reporting.
ENA ONP Product:	N/A
Timeline:	June 2020 - December 2022
Organisation type:	DNO(6)
Progress:	Not currently planned(3), Initiated(3)
Additional information:	This is a step driven by DNOs. One of the barriers to this step is contractual rights to legitimately access last resort provision. DNOs have also mentioned that standardisation of potential solutions will be required. ENA ONP could inform implementation of this step.

### Step 2

Step:	Emergency assistance
Step type:	Network actions
Description:	Develop and activate emergency assistance services under market failure.
ENA ONP Product:	N/A
Timeline:	June 2020 - December 2022
Organisation type:	DNO(6)
Progress:	Not currently planned(3), Initiated(3)
Additional information:	This is a step driven by DNOs. One of the barriers to this step is contractual rights to legitimately access last resort provision. Different approaches are currently used by DNOs. DNOs have also mentioned that standardisation of some solutions will be required. ENA ONP could inform implementation of this step.

## Activity F: Regulation & competition frameworks

Description: Identifying the rules for managing and remunerating last resort service provision. Putting in place methodologies to ensure that these continue to be efficient against other solutions.

As of March 2021 there were no contributions towards the implementation of this activity.