

# Open Networks Programme 2022 scope consultation response summary

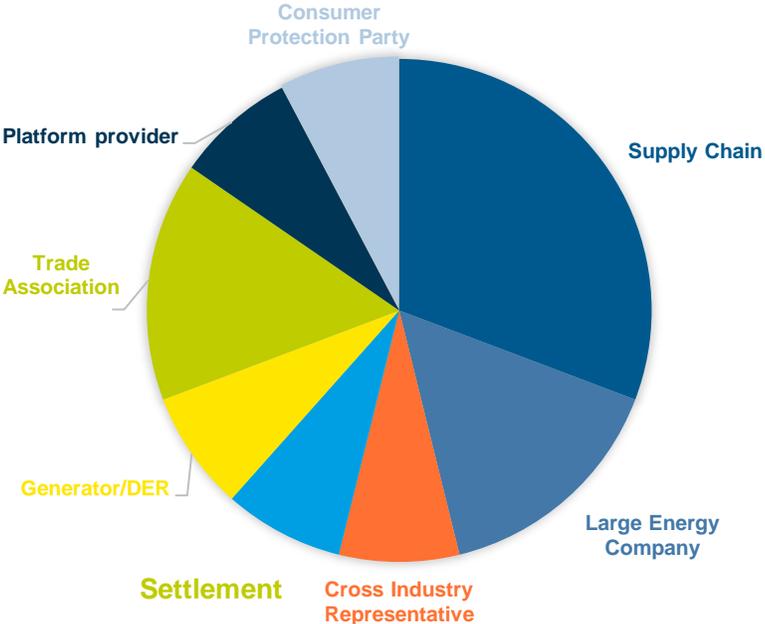
13 January 2022

## Background

- In response to stakeholder feedback, Open Networks brought its 2022 scope development process forward and launched an earlier consultation on the preliminary scope in Oct 2021.
- A [2022 high-level scope document](#) set out the best view of the scope, key areas of focus, and priorities for 2022.
- This consultation closed on 16 Nov 2021.
- This slide pack summarises the main feedback and how we are taking this forward. The detailed comments have been shared with all workstreams and products for consideration and action.
- Alongside these slides, we have also published the [2022 Programme Initiation Document \(PID\)](#) that sets out the final work plan and incorporates the feedback from this consultation, as well as other feedback received via the [Flexibility Consultation](#).

# 13 responses received

1	Citizens Advice	Consumer Protection Party
2	ES Catapult	Cross Industry Representative
3	AMP X	Generator/DER
4	EON	Large Energy Company
5	Centrica	
6	Piclo	Platform provider
7	Elexon	Settlement Agent
8	P2 Analysis	Supply Chain
9	JRC	
10	Regen and ESN	
11	Organisation 1 *	Trade Association
12	ADE	
13	Flex Assure	



\*Requested to remain anonymous

# Key messages

- Welcomed an earlier consultation and the opportunity to provide early input.
- Welcomed steps taken to increase collaboration with the industry through Open Governance proposals.
  - Support for setting up Challenge Group and a Dissemination Forum.
  - Requests to review the time commitment required of stakeholders to support product level engagement through User Forums. Clear preference for facilitated Focus Groups that are less resource intensive for stakeholders.

*For key products where we were previously proposing User Forums, Open Networks will now facilitate Focus Group sessions at key development stages for stakeholder input. Stakeholders will have the opportunity to express their interest to join these Focus Groups in Q1 2022.*

- Agreement and support for areas of work and priorities set out in the consultation.
  - Feedback shared on these areas of work and what they should consider as part of their scope.
  - Some comments sought clarification on the scope, we have now elaborated and clarified this within the PID.
  - Some stakeholders made detailed enquires regarding specific products (e.g. clauses of the WS1A P4 Standard Agreement contract). Open Networks will reach out to these organisations for further discussion in early 2022.

*Open Networks has taken this feedback on board and has reflected this as best as possible in the PID. The following slides in this pack capture this in more detail and how we will be taking this forward.*

- Some additional areas of work suggested by some stakeholders:
  - Energy efficiency
  - Metering requirements for co-located projects

*Open Networks will be addressing energy efficiency as part of the scope for the proposed products, however, we do not believe that now would be the best time for Open Networks to introduce standalone work to standardise approaches as DNOs initiatives are still in early stages. Detailed comments in later slides.*

*Open Networks will review this further with the Connections workstream in Q1 2022 with a view to further understand the issues and to develop and consider scope proposals accordingly.*

# Open Governance & Stakeholder Engagement

“You said”	“We will”
<p>Support for steps taken to increase collaboration through Open Governance proposals to create a Challenge Group and Dissemination Forum.</p> <p>The User Forum proposed in 2021 was time and resource intensive for stakeholders given other Open Networks and wider industry engagements.</p> <p>Preference for “show and listen” approach that is less resource intensive for stakeholders.</p> <p>Focus Groups (targeted stakeholder sessions planned and facilitated by Product Teams as required) preferred over User Forums (stakeholders joining product team to undertake ongoing development work) as they are less resource intensive for stakeholders.</p>	<p>The concept of User Forums was introduced in 2021 to give interested stakeholders the opportunity to work alongside the Product Team to undertake product development work. This feedback has been very helpful for us to understand the lack of response in 2021.</p> <p>In response to this feedback, to allow stakeholders the opportunity to engage at a product level with as little time commitment as possible in 2022, we will engage stakeholders via targeted Focus Groups facilitated by the Product Teams in 2022.</p> <p>For key products where we were previously proposing User Forums, we will now facilitate Focus Group sessions at key development stages for stakeholder input. These products are signposted in the PID. Stakeholders will have the opportunity in Q1 to express their interest to join these Focus Groups.</p>
<p>Suggestion for periodic reviews of new groups and forums such as the Challenge Group, Dissemination forum, and User Forums to assess engagement and participation.</p>	<p>ENA Open Networks will undertake periodic reviews of these forums to ensure appropriate participation, engagement and representation.</p>

# Flexibility Services (WS1A)

## Flexibility Services (WS1A)

Product	“You said”	“We will”
P0  Overarching Common Framework	Strong support and seen as a key product.  Suggestion to engage with stakeholders to identify usable formats of outputs from this work.	Agree and will seek stakeholder input via the Challenge Group and Dissemination Forum as well as the July 2022 Flexibility consultation.
	Coordinate with Ofgem and BEIS to ensure alignment with Full Chain Flexibility work.	ENA have a seat on the Full Chain Flexibility Forum and additionally, Ofgem and BEIS have representation on the Open Networks workstreams and Steering Group to provide more strategic input.

## Flexibility Services (WS1A)

Product	“You said”	“We will”
<p>P1</p> <p>Common Evaluation Methodology</p>	<p>CEM does not consider consumer cost and impact and the Whole System CBA does not consider this in sufficient granularity.</p> <p>Joint review of Whole System CBA and CEM required to ensure no gaps are left.</p> <p>Stakeholder engagement requested to further understand the purpose of the two models.</p>	<p>The CEM has been designed to consider DNO cost and impact and is based on Ofgem’s regulatory CBA. Our intention remains to capture wider costs and impacts through the Whole System CBA and we will undertake further engagement in 2022 to seek input on improving how these costs are captured.</p> <p>As part of the review of various CBA tools and their interactions, we will clarify the purpose of various CBA tools and how these will be used for decision making plan stakeholder engagement sessions to disseminate and discuss this.</p>
	<p>Support for CEM stakeholder engagement in 2022 that is less time intensive for stakeholders.</p>	<p>Agree to setup targeted Focus Groups facilitated by the Product Teams at development milestones to get industry input.</p>
	<p>CEM should make the assignment of probabilities to load growth scenario a core functionality rather than an optional feature.</p>	<p>This will be considered and reviewed by the product team in 2022.</p>

# Flexibility Services (WS1A)

Product	“You said”	“We will”
P2  Procurement Processes	Strong support to progress thinking on real time flexibility procurement.	Noted.
	Pre-qualification criteria should be designed with smaller flexibility providers in mind.	Agree and this will be a key consideration in the development of the criteria.
	Consider single, shared and independently owned platform/portal for pre-qualification across all DNOs.	Initial steps for this product will be to establish common criteria and timelines. As part of setting out the longer term roadmap, the product team will consider this along with other options.
	Consider interaction with Flex Assure Code of Conduct.	ENA now has representation on the Flex Assure Steering Group and will be mutually sharing relevant learning points.
	Consider common marketplace for all DNOs for procuring flexibility services.	We believe that platforms and market places should be competitive and open for anyone in the industry to develop and Open Networks is enabling this thorough standardising processes, data and how it is made available.

## Flexibility Services (WS1A)

Product	“You said”	“We will”
P3  Dispatch Interoperability & Settlement	Important aspect of dispatch operability will be for the DSO to only pass on the flexibility that can be delivered	At present dispatch principles and settlement principles factor in the probability of failure to dispatch and apply appropriate priority listing for services.
	More clarity on how RDPs will be used in Standard Agreement	At present, the standard agreement is being used only for key standard DSO & ESO products. The product teams are working closely with innovation projects and RDP to capture learnings and reflecting them onto further development of the product.
P4  Standard Agreement	Consider embedding Flex Assure Code of Conduct into Standard Agreement.	Open Networks is part of the Flex Assure committee and will continue to feed into and monitor progress. The Flex Assure Code is currently at an early stage. Once the code is more developed, we will review and consider embedding this into the Standard Agreement.
	Incorporate recommendations of SSEN/Energy UK LCTs on LV Networks Working Group.	We will continue working closely with the relevant working groups and maintain two-way communication to share learnings between these groups and Open Networks. The dependencies of such working groups are mapped out in the 2022 PID for transparency and clarity.

# Flexibility Services (WS1A)

Product	“You said”	“We will”
P5  Primacy Rules	Strongly supported. Consider bringing further stakeholders on board as part of the focus groups.	We will further open up the opportunity to join the focus group feeding into this work in Q1 2022.
	Ensure collaboration between P5 and P6 to consider how primacy rules may enable Stackability.	Agree and it is our intention to do so.
P6  Flexibility Products	Would like to see further lowering of minimum capacity threshold for flexibility products.	This will be considered and reviewed by the product team in 2022.
	Further consideration of residential flexibility and work closely with aggregators and consumer protection bodies to understand challenges and opportunities.  Suggestion to consider as part of developing flexibility products.	As part of our work on P6, we will look at how we can streamline and simplify the flexibility products, making them as accessible as possible including lowering entry requirements where possible. Additionally, WS1A P0 will further consider residential flexibility and will map out steps in the short, medium, and long-term to achieve this.

## Flexibility Services (WS1A)

Product	“You said”	“We will”
P7 Carbon Monitoring	<p>Welcomed by stakeholders.</p> <p>Areas of work undertaken by various companies flagged for consideration.</p>	<p>Noted. The product will review and consider relevant work that is flagged as part of the initial scoping and development activity.</p>
P8 ANM Curtailment Information Provision	<p>Improved curtailment information is one step, however, some stakeholders continue to have concerns around ANM and advocate for DNOs to move away from ANM in the medium-long term.</p>	<p>Flexible (ANM) Connections offer a more cost-effective and, typically, more rapid means of connecting. The FC(ANM) connection allows customers to significantly reduce up front charges by accepting a degree of reduction in network access rights. Note that Ofgem’s work on the Access and Forward-Looking Charging SCR is ongoing and following the publication of key decisions on Access and DUoS, appropriate working groups will be formed to progress BaU implementation as required</p> <p>Currently FC(ANM) is accommodating the growth in distribution connected generation, largely renewables and storage, and is a prerequisite for the GB transition to net zero carbon. The role of FC(ANM) longer term will be dependent on the Ofgem’s final decision on the Access and Forward-Looking Charges SCR.</p>

## Flexibility Services (WS1A)

Product	“You said”	“We will”
General	<p>WS1A does not have a focus on energy efficiency as an alternative to flexibility or reinforcement. Consider more focus on energy efficiency given its role in the transition.</p> <p>“It may be valuable for Open Networks to bring consistency across the sector through a higher focus upon energy efficiency, its valuation, and usage potential.”</p>	<p>Open Networks acknowledges the importance of energy efficiency, and DNOs have set out plans to address energy efficiency as a companion to flexibility in their recent ED2 business plans. ENA will be a part of BEIS’s REDi (Reduced Electricity Demand incentive) working group and will feed into this discussion.</p> <p>Given that these developments are in early stages, we believe that 2022 would not be the right time for Open Networks to undertake standalone work in the form of a dedicated workstream or product. However, we will continue to consider energy efficiency across existing products where applicable (e.g. CEM, Whole System CBA). Additionally, our new product on Carbon Reporting of flexibility services (WS1A P7) will consider energy efficiency across flexibility products as part of developing a consistent reporting methodology.</p>

# Transmission-Distribution Coordination (WS1B)

# WS1B T-D Coordination

Product	“You said”	“We will”
General	Broadly supportive of work. Product specific feedback below:	
P2 Future Energy Scenarios	Further clarity on stakeholder engagement activities that are planned	We have now included greater detail on planned stakeholder engagement activity to improve the clarity.
P6 Operational DER visibility	<p>Need to ensure that increased visibility does not create new barriers for smaller flexibility sources.</p> <p>Cost and benefits for DER owners and flexibility providers must be considered as part of increasing DER visibility.</p> <p>Need clarity on how stakeholders, particularly OEMs and flexibility providers, have been involved in providing input and supporting analysis.</p>	<p>Agreed. The CBA undertaken in WS1B P6 is an analysis of the cost and benefits of retrofitting DER assets that are either not monitored or which are lower than the baseline functional specification identified through the product. The specification aligns with the requirements for the G99 process to ensure the baseline specifications are not prohibitive to any asset including smaller flexibility sources.</p> <p>The 2021 work on developing the CBA has been based on networks costs only at this stage. This work will be handed over to Ofgem to take forward in informing their upcoming work on developing policy for DER visibility that will consider wider cost and options. We expect that there will be broader engagement and public consultation as part of this.</p>

# WS1B T-D Coordination

Product	“You said”	“We will”
P7 Operational Data Sharing	Expect to see rapid progression on plans to share wider operational data.	Noted and this will be the focus for P7 in 2022.
	Consider how available data will change over time including what data will become common and what will remain discrete to individual DNOs.	Noted and the proposed RAG analysis approach for P7 will help to establish this.
	Full use of existing datasets (e.g. smart metering data, ESO/DSO data from flexibility markets, ECR etc.) should be made before turning to potential consumer DER data.	<p>WS1B P7 will initially identify the data sets shared between various parties. under the below categories:</p> <ul style="list-style-type: none"> <li>1 - ESO and DNO/DSO</li> <li>2 - DNO / DSO and ESO</li> <li>3 - ESO to market participants</li> <li>4 - DNO / DSO to market participants (initiated by WS1B P7 and WS1A P9 in 2021)</li> </ul> <p>This will include existing datasets noted.</p>

# Connections & Information Provision (WS2)

## WS2 Connections and Information Provision

Product	“You said”	“We will”
P1 Embedded Capacity Register	Strong support for ECR and welcome plans to include smaller DER.	Noted.
P2 Queue Management	Welcome the planned monitoring and hope it can contribute to freeing up capacity from stalled projects, without unfairly penalising capacity holders that genuinely intend to use their capacity.	Noted. The product will provide a summary at the end of the year of main findings.

## WS2 Connections and Information Provision

Product	“You said”	“We will”
P4  Connection Agreement Review	Limited comments as stakeholders have not yet seen the recommendations.	Following completion of the Connection Agreement Review a no-go recommendation will be made to the Open Networks Steering Group in Q1 2022 as the required actions are already being progressed by other activities and projects. We welcome further feedback from the industry on this and will review in 2022 accordingly.
	Suggestion to consult on findings once they are available.	
	Incorporate learnings from DNO ED2 stakeholder engagement activities, particularly for the development of major connections strategies.	
	Suggestion to include review of metering requirements for co-located projects.	This feedback continues to be reviewed and discussed by the workstream. Further discussions will take place in Q1 2022 for the workstream to consider and set out how they may take this forward.

# DSO Transition (WS3)

Product	“You said”	“We will”
General	<p>Concerns around divergence on DSO transition across companies, as seen in draft ED2 plans.</p> <p>Reassurance needed that different approaches to the DSO transition will not impact the overall delivery of the Open Networks programme and its work on standardisation.</p>	<p>In Q1 2022, WS3 will undertake a review of its role and areas of focus to ensure that they are delivering maximum value for the industry.</p> <p>As part of this, WS3 will review and address consultation feedback regarding the DSO transition received via the 2022 scope consultation. Additionally, WS3 will consider any new developments, including progress on Ofgem’s work on DSO Governance, as signposted in the Smart Systems Plan.</p> <p>This will include:</p> <ul style="list-style-type: none"> <li>• Ofgem’s work on DSO Governance and role of WS3 in informing policy.</li> <li>• Stakeholder feedback on divergence of DSO approach in draft business plans</li> </ul>

## WS3 DSO Transition

Product	“You said”	“We will”
P1 DSO Implementatio n Plan	Further engagement to help stakeholders understand progress and key highlights.	We will continue to engage stakeholders on the DSO Implementation plan and the Conflicts of Interest register through webinars and easy to understand summaries of changes made. In 2022 we will ensure stakeholder engagement highlights the actions derived from these products and the subsequent benefits.
P2 Conflicts of Interest & Unintended consequences	COI register is a useful resource. Suggestion DNOs incorporate feedback on the Col register into their DSO plans.	Feedback on the COI items will continue to be incorporated into the register. Any actions resulting from the COI register will continue to be incorporated into networks DSO plans as part of the WS3 P1 DSO Implementation Plan.

# Whole Energy Systems (WS4)

# WS4 Whole Energy System

Product	“You said”	“We will”
General	<p>In light of the emphasis placed by Ofgem on the role of ‘Digitalising the system<sup>2</sup>’ in facilitating the ‘Net Zero’ transition it would seem sensible to explore from the ‘Whole Systems Energy’ perspective the optimum approach to enabling enhanced operational control capability to support robust and resilient energy supply in an increasingly complex supply and demand context where balancing will become subject to local interventions.</p>	<p>Whilst we acknowledge the importance of improving operational control capabilities this activity is outside of the Open Networks programme objectives. The ENA Strategic Telecommunications Group is looking at operational telecommunications as this is essential to the development of a smart and digital grid.</p>

# WS4 Whole Energy System

Product	“You said”	“We will”
P0 Monitoring Whole System Innovation Projects	Helpful to explain how this work will sit alongside the new <a href="#">ENA innovation portal</a> and <a href="#">Innovation Strategies</a> .	This product will share information only from innovation trials related to WS4 products with the networks to increase the benefit to networks and their customers from these trials. In contrast the Innovation Portal allows third parties to submit innovation proposals and produces public facing <a href="#">annual summaries</a> .
P1  Whole System CBA	Welcome further development and alignment with CEM.  Suggest additional stakeholder engagement to help understand the purposes of the various CBA tool and consider additional granularity on non-network cost and impacts.	In 2022 Open Networks will produce an informational paper outlining the differences between the CEM and CBA tools to aid stakeholder understanding.  We will engage with stakeholders to clarify how the tool incorporates wider costs and impacts and seek input on how this can be refined.

# WS4 Whole Energy System

Product	“You said”	“We will”
P4 Whole System Optioneering Service	Beneficial to consider uptake of this service with LAs.	Engage LAs to seek their feedback on the proposed service, informing the go/no-go decision.
	Important that any support service for Local Authorities does not introduce favouritism for LA projects working with network operators rather than with independent industry.	The proposed service will be open to all LAs and will not distinguish between LA projects based on any ongoing work with the networks.
	Important that this service does resemble a form of consultancy service offered by networks.	Noted.
	This should not be a route for gas networks to influence Local Authority plans and heat maps; impartial assessment is crucial, and may sit best with Ofgem.	The proposed service will provide impartial information to help LAs decide on the best whole energy system approach for them.

# WS4 Whole Energy System

Product	“You said”	“We will”
P5  Network input into Local Area Energy Planning	Support for taking this work forward.	Noted.
	Clarification on whether or not utilities other than gas and electricity will be considered as part of this work.	Networks will provide input into LAEP projects being run by Energy Systems Catapult, BEIS, and Ofgem. Network won't be providing input on behalf of other utilities, it is at the discretion of the organisations running these LAEP projects to include such perspectives.
	Consider DNO ED2 whole system strategies to develop good practice.	Develop a best practice guide for consideration of gas and electricity networks in the local area energy planning process and the required interactions.