

Open Networks Challenge Group Meeting Minutes

The Open Networks (ON) Challenge Group meeting took place via Microsoft Teams on 21st January 2025. The <u>presentation materials</u> can be found on the ENA website.

The sections below capture feedback that was shared during the session. Alongside this, a <u>Challenge and Actions Log</u> captures key areas for Open Networks to consider and address.

Any further feedback outside of Challenge Group meetings can be sent to opennetworks@energynetworks.org.

Welcome and Apologies

Hussein Osman (Elexon, Challenge Group chair) welcomed all to the group and noted apologies.

The session was attended by those in green below. Attendees marked with * attended part of the meeting.

Company	Name
Elexon, Chair	Hussein Osman
Octopus	Vania Milkova
E.ON	Charlotte Goodman
Centrica	Helen Stack
Energy UK	Naomi Baker
Smarter Grid Solutions	Flo Silver
The Association for Renewable Energy and Clean Technology (REA)	Samuel Adekanle
The Association for Decentralised Energy (ADE)	Natasha Mills
Everoze Partners	Nithin Rajavelu
Joint Radio Company (JRC)	Peter Couch
Piclo	Gemma Stanley
Regen	Tim Crook
Community Energy England	Philip Coventry
Electralink	Emma Carr
Energy Systems Catapult	Zonerah Mahmood*
Imperial College London	Goran Strbac
Citizens Advice	Caroline Farquhar



Independent Networks Association (INA)	Gareth Haines
	Avi Aithal
Energy Networks Association (ENA)	Autumn Davies
Energy Networks / tesestation (Envir)	Helen Jarva
	Reece Breen Begadon
UKPN	Tim Manandhar
	Evangelos Karagiannis
NESO	Lois Clark
NG ED	Joe Davey

Recent Industry Developments

RIIO ED3 submission deadline was in w/c 20-Jan which is noted to have been responded to by Elexon. The Market Facilitator policy framework consultation has been released and will be a good opportunity to help shape the Market Facilitator function and the CP2030 response was released in Dec-24. It is noted that NESO published their routes to market review stage 2 and the enabling demand side flexibility. A webinar is being held on the 29-Jan by NESO on this.

Market Facilitator Update

Hussein Osman (Challenge Group Chair, Elexon) noted that the detailed design workshops continue to take place, two workshops have been completed so far and a third is being held on 23-Jan on the delivery plan and there will be a following four workshops taking place over the coming months. A Market Facilitator monthly newsletter has been created and will be published in the last week of Jan-25. A handover plan from Open Networks to the Market Facilitator will be shared with the Steering Group on 22-Jan for discussion and it will be looked into sharing this plan once further refinement has taken place. Recruitment continues within Elexon and 10 new resources have been budgeted for in 2026. The Challenge Group were asked for input on how they feel this meeting series should be used going forward and how best to optimise the knowledge of this group.

Feedback	Response
The group query the role of Open Networks feeding into the Market Facilitator workstreams.	The Open Networks team are inputting to the transition plan and have facilitated knowledge sharing sessions with the working groups flagged for transition. The Open Networks team also have standing bi-weekly meetings with Elexon A structured handover for each topic that will be transferring to the Market Facilitator is being created. A formal publication on the transition plan has been requested by Ofgem.
It is queried whether it will be advertised to the wider industry of the change to this group becoming the	It is confirmed that the Market Facilitator is not proposing the ON Challenge Group becomes the Stakeholder Advisory Board (SAG) and they will are



Stakeholder Advisory Board.	discussing the options of utilising the Challenge Group for strategic industry discussions in the interim period before the SAG is formally set up.
The group suggests it would be beneficial to have a continue a structured approach to these meetings rather than an adhoc approach. Support was expressed for Elexon's proposal to seek strategic input from the group in the transition period before setting up the SAG.	This feedback is noted.

Primacy Rules

Evangelos Karagiannis (Technical working group co-lead, UKPN) noted that the group have been working with Baringa since Q3 2024 to create workable solution for next steps to address conflicts between NESO and DSO services. As part of this it has been identified that data is a key element and working with NESO services where data is on the single market platform has been identified. Rather than looking to identify the best solution to mitigate against these conflicts the working group have created a grouping of four core use cases. Baringa carried out a whole systems cost benefit analysis and a summary of the outputs from this are categorised into four core principle cases. The working group are in the final review stages of the Baringa report and following the final version are looking to move onto the next stage which will be implementation.

Feedback	Response
The group noted their support of the work completed and the move away from working on a use case by use case basis, which has sped up implementation of rules.	Feedback noted.
The group query when the changes to market/flex providers can be expected.	The approach is to start testing of the outcome of this analysis as part of the megawatt dispatch project (UKPN and NG ED) and a roadmap of implementation should be available within the next 6 months. It is noted that manual data exchange work is currently being progressed whilst wider systems changes are undertaken to enable the rules to be used.

Dispatch API

Tim Manandhar (Technical working group co-lead, UKPN) and Joe Davey (Technical working group co-lead, NG ED) noted that the release of Open ADR 3.0 standard was in Q2 2024. The mobilisation of delivery has been taking place since Q4 of 2024 and Q3/4 of 2024 involved the tender process for delivery partners to create the new standard. Kick-off with the delivery partner will be taking place by the end of Jan-25 with a view to have the first standard released in Jun-25. The delivery plan has been separated into 3 pieces of work which are programme management, technical delivery and independent security assurance. The delivery approach of these 3 pieces of work a projected to take place over a 6-to-8-month period. It is noted that a suitable delivery partner for the independent security assessment is yet to be contracted due to the working group looking an



independent party with the right security credentials. Further focus areas for delivery are collaboration with FSPs and key stakeholders to co-design and test the and supporting industry implementation.

Feedback	Response
A clarification was sought on the role of the Challenge Group during the development stage.	Detailed technical conversations on this work will take place during the development through industry focus groups and Challenge Group reps/delegates from organisations will be contacted to be included in this among wider industry stakeholders.

Quick Working Group Updates

Baselining

The working group have recently concluded their first of two planned focus group sessions with industry, which has helped to understand what FSPs wants and needs are with regards to Baselining methodologies. The working group are now processing the feedback and are at the final stages of carrying out a gap analysis of existing methodologies already used by the network operators. The second workshop is likely going to be Mar-25, but adequate notice of that session will be given once the date is locked in.

CEM

The CEM working group are due to launch an invitation to tender, which is looking for consultancy support to further develop the CEM tool from Excel into a code-based tool, which should help to alleviate the limitations associated with the current tool and its ability to be used at scale. The Excel tool will also be maintained and regularly updated to enable accessibility to stakeholders.

Standard Agreement

It is being looking into to possibly reconvening the Standard Agreement working group subject to stakeholder feedback on version 3 of the agreement in Q1 of 2025.

Flex Products and Stackability

The flex products and stacking working groups latest outputs are now complete. It is planned for these to be launched alongside the FSP website which will be during Q1 2025. Some these outputs include a technical standards document for the new set of reduced products, which now consist of 9 variants, down from the previous 12, and a document that justifies why the other variants remain, as well as an excel tool that allows FPS to explore their potential stacking opportunities.

Operational data sharing

Operational data sharing, who are looking at enhancing and standardising the data exchanges between NESO and DNOs, are currently in the process of developing their scope for this year and it is noted that the outcomes from this working group are also key to enabling primacy rules.

Feedback	Response
It is queried when the next iteration of the stacking	It is noted that the tool is in its final state as is,
tool will be operational to evaluate flexibility	however the working group are keen to receive any





propositions.	further feedback to shape it. Further updates is something the Market Facilitator will be able to take
	on board when in a position to do so.

AOB

No further business is noted.