

# Open Networks Challenge Group

20<sup>th</sup> October 2022

# Agenda

Item	Start	Finish	Time	Item	Presenter
1	14:00	14:05	5	<b>Welcome</b>	Maxine Frerk (Challenge Group Chair)
2	14:05	14:10	5	<b>Challenge Log</b>	Avi Aithal (Head of ON)
3	14:10	14:20	10	<b>Challenge Group membership</b> Overview of Challenge Group membership review	Maxine Frerk (Challenge Group Chair)
4	14:20	14:35	15	<b>Recent industry developments and ON impact</b> Recent industry developments Update on flexibility workstream activities including the flexibility consultation	Andy Wainwright (Whole Energy System Chair) Avi Aithal (Head of ON)
5	14:35	14:50	15	<b>Evolution of Open Networks 2017 – 2022 and beyond</b>	Sotiris Georgiopoulos (Steering Group Chair) Avi Aithal (Head of ON)
6	14:50	15:30	40	<b>2023 scope discussion</b> Prioritisation of focus areas	Avi Aithal (Head of ON) & All
7	15:30	15:40	10	<b>Break</b>	
8	15:40	16:10	30	<b>2023 scope discussion</b> Delivery and governance	Avi Aithal (Head of ON) & All
9	16:10	16:25	15	<b>Reflection on 2022 Challenge Group engagement</b> Challenge Group practices to start, stop and continue	Maxine Frerk (Challenge Group Chair)
10	16:25	16:30	5	<b>Recent and upcoming ENA events</b>	Emily Jones (Head of Stakeholder Engagement)
11	16:30	16:35	5	<b>AOB</b>	Maxine Frerk (Challenge Group Chair)

# Challenge and Actions Log

## Summary of progress against actions

Avi Aithal (Head of ON)

## Implementing Challenge Group feedback

- All actions noted during discussions are captured and tracked via the [Challenge and Actions Log](#).
- Questions suggested by the Challenge Group were included in the flexibility consultation, including areas for future work and barriers to pre-qualification.
- For ease of using the CEM and Whole System CBA tools in conjunction, the CEM product team are producing a "Good practice" guide and the WS4 P1 CBA product team will be producing short, simplified user guides to sit alongside the main CBA user guide.
- As per the Challenge Group's request, products across the programme rather than just flexibility workstream products seek Challenge Group input.
- The Primacy Rules product team are considering a direct comparison of STOR and Slow Reserve in further analysis to incorporate feedback on differences between STOR/ANM and newer services.
- Key feedback being considered in 2023 scoping:
  - Alignment of flexibility services and pre-qualification processes across DNOs
  - Greater focus on tracking implementation and monitoring the success of products delivered by ON
  - Facilitating demand-side flexibility and increasing visibility in customer connections
  - Considering asset specific information in calculating carbon impact and reporting more frequently in more detail
  - Providing a single marketplace for flexibility services

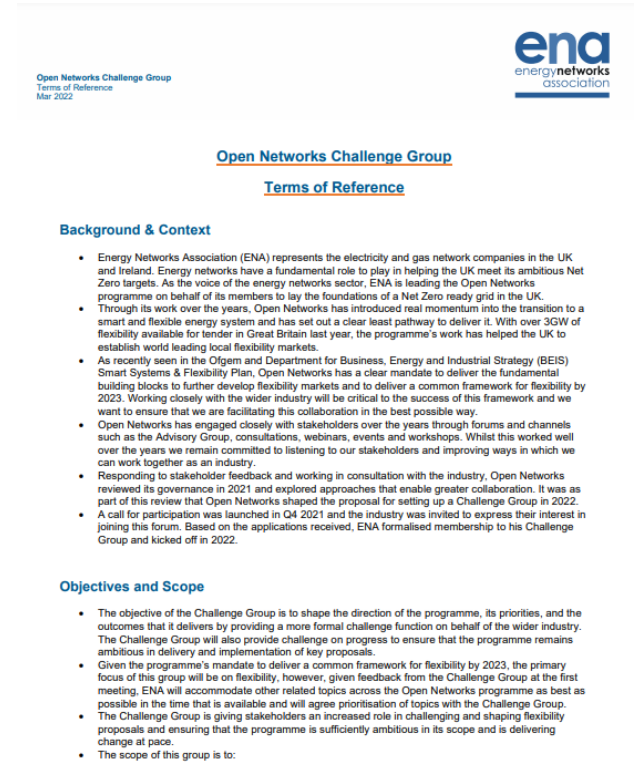
# Challenge Group membership

## Overview of Challenge Group membership review

Maxine Frerk (Challenge Group Chair)

# Challenge Group membership review

- Membership reviews have been carried out bi-annually in 2022 and will be annual from 2023 onwards.
- Open Networks Team are working to engage new Challenge Group representatives from the following organisations:
  - Innovate UK
  - Smarter Grid Solutions (in place of Origami)
  - Scottish Government
- We are reviewing new CG group applications and attendance of the existing members in 2022



## Challenge Group Terms of Reference

# Recent industry developments and ON impact

Recent industry developments and flexibility workstream activities including flexibility consultation

Andy Wainwright (Whole Energy System Chair)

## Recent industry developments

### ESO initiatives shared at O/N SG

- Bridging the Gap to Net Zero project published on 13 October. Link [here](#).
- Winter Outlook 2022/23. Link [here](#).
- FES 2023 call for evidence released. Deadline end of October. Survey [here](#).
- Tec Amnesty running from 1 Oct to 30 November. Further information [here](#).  
[Demand Flexibility Service](#)

### Initiatives being considered by O/N SG

- DSO incentive framework
- RIIO-ED2 determinations
- [REMA](#)

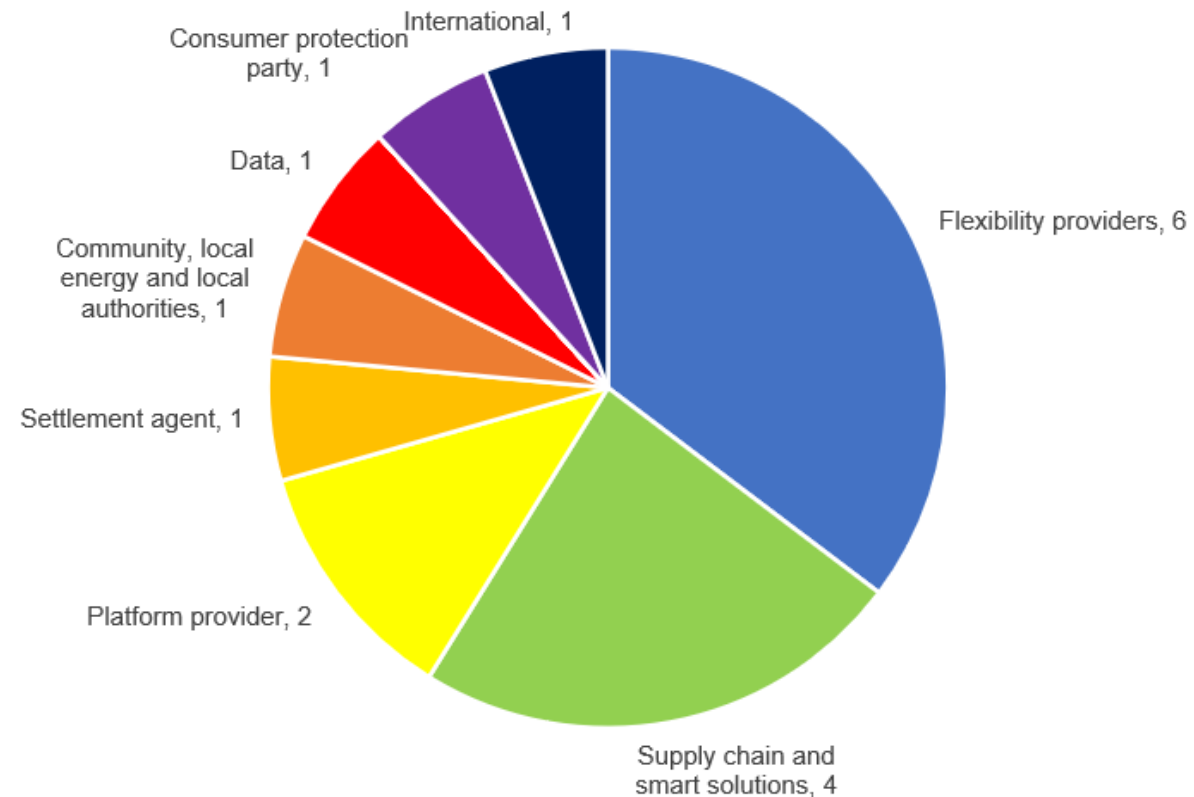
In addition to the above, what other areas should O/N keep informed of?



# Flexibility workstream developments: Summary of flexibility consultation

- ENA's response to the recent flexibility consultation will be published in early November.
- 17 detailed responses were received from a good range of industry stakeholders.
- Responses reflected overall support for the programme and its flexibility outputs.
- Strong support for our stakeholder engagement efforts, especially Challenge Group
- Quantity vs quality- Significantly improved quality, even though the number of responses received is same as in 2021

Respondents by industry sector



# Evolution of Open Networks 2017 – 2022 and beyond

Sotiris Georgiopoulos (Steering Group Chair)  
Avi Aithal (Head of ON)

## Overview of Open Networks 2017 - 2021

**FIVE  
YEARS  
ON**

For the past five years our Open Networks programme has been transforming the way the UK's energy networks operate.

# Key highlights from 2022

## Accessible and efficient markets for local flexibility



### Push towards real time operation

*Steps to improve interoperability and real time flex service procurements*



### Mitigate DNO-ESO service conflicts

*First iteration of Primacy Rules*

## Improve Transparency



### Increasing operational data sharing

*Delivering on commitments to share more operational and curtailment data*



### Improved accuracy for Flex Service Providers

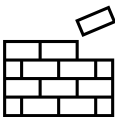
*Baselining tool to help FSPs to follow a common approach to measure flexibility delivered*

## Efficient coordination across T-D boundaries



### Standardised Network Development Plans

*Standardised across GB for the first annual publication, facilitating stakeholder use.*



### Improved forecast scenarios

*Aliment of FES and DFES building blocks*

## Whole system approach



### Whole System co-ordination registers

*Standardised co-ordination registers to facilitate stakeholder use.*



### Increasing whole systems analysis

*Promoting use of Whole Systems CBA tool*

# Break



# 2023 scope discussion

## Prioritisation of focus areas

Avi Aithal (Head of ON)

## Background

- ON has been a key forum to collaboratively address key issues around the areas of smart grid development over the years. In its existing structure, ON has delivered key actions from the smart systems and flexibility plan.
- Every year we reviewed the existing products and developed a recommendation for the scope of products for the following years (in the form of a Programme Initiation Document (PID)).
- Leading up to the 2023 scoping activities, ON has facilitated several discussions over the last few months to inform the future direction, role, and remit of Open Networks in the coming year(s).
  - Internal ENA forums
  - Challenge group meeting
  - Feedback from flexibility consultation
  - Feedback from critical friends
  - One-to-one discussion with several stakeholders

## Areas of discussion

### **Key areas of focus for Open Networks**

- What are the key strategic issues/challenges ON should be looking at in 2023 and beyond?
  - Discussion on Breadth vs Depth
- Is there a need for ON's role to evolve?

### **Delivery approach and governance**

- Is the existing governance and delivery approach suited to deliver the best value to both consumer and network companies?
  - Review of existing workstreams
  - How do we better collaborate across other areas of work within ENA and wider industry?
  - How can we be more agile to incorporate new areas of work as required?



## Main outcomes from stakeholder engagement

### Stakeholder feedback is consolidated into the following actionable key questions:

- How to make it frictionless for FSPs to participate in DSO and ESO market?
  - How to do it and plan to do it and do it.
- How to improve the standardisation of flexibility products and processes?
  - What we have currently and how it can be aligned, alignment delivered by a committed target date
- How to deliver operational coordination?
- How to reduce barriers on dispatch – Common platform and/or API ?
- How to improve data visibility across planning and operations?
  - What work has been done to date, and what else is required?
- How are these delivered and governed in the short-term – the role of DSO/ESO, participants and platforms?
  - How these might evolve in the longer term
- How to improve accessibility of information/ outputs?

## Open Networks key focus areas for 2023

- Flexibility Commercial Development and Procurement Processes
- Maintenance and development of products and services (flex products and services, secondary trading)
- Decision Making and Transparency (methodology for energy efficiency)
- DER Data Capture and reporting
- Operational co-ordination and data sharing (primacy rules and data sharing)
- Dispatch, System interoperability & co-ordination (APIs, platform co-ordination between different network organisations etc.)
- Forecasting Approaches
- Planning publications, data sharing & co-ordination

Following the agreement of the key product areas – We will map the main outcomes from each of the product areas along with their timeline.

# Break



# 2023 scope discussion

## Delivery and Governance

Avi Aithal (Head of ON)

## Main outcomes from stakeholder engagements

- Outputs vs Outcomes – Highly supportive of all the outputs from ON but concerns raised on their implementation (either not implemented or not implemented consistently)
  - Greater focus on tracking implementation and monitoring the success of products delivered by ON
- Emphasis of consistency across network companies – Learning from industry trials
- Respond/adapt appropriately to industry developments
- Need to focus on the accessibility of information
  - Become a reliable source of information
  - Improve website
- Strong support to continue our extensive stakeholder engagement efforts

# Proposed 2023 Structure

- Refocused Workstreams - Aligned with Ofgem Baseline

DSO roles

- Planning and network development,
- Network operation
- Market Development

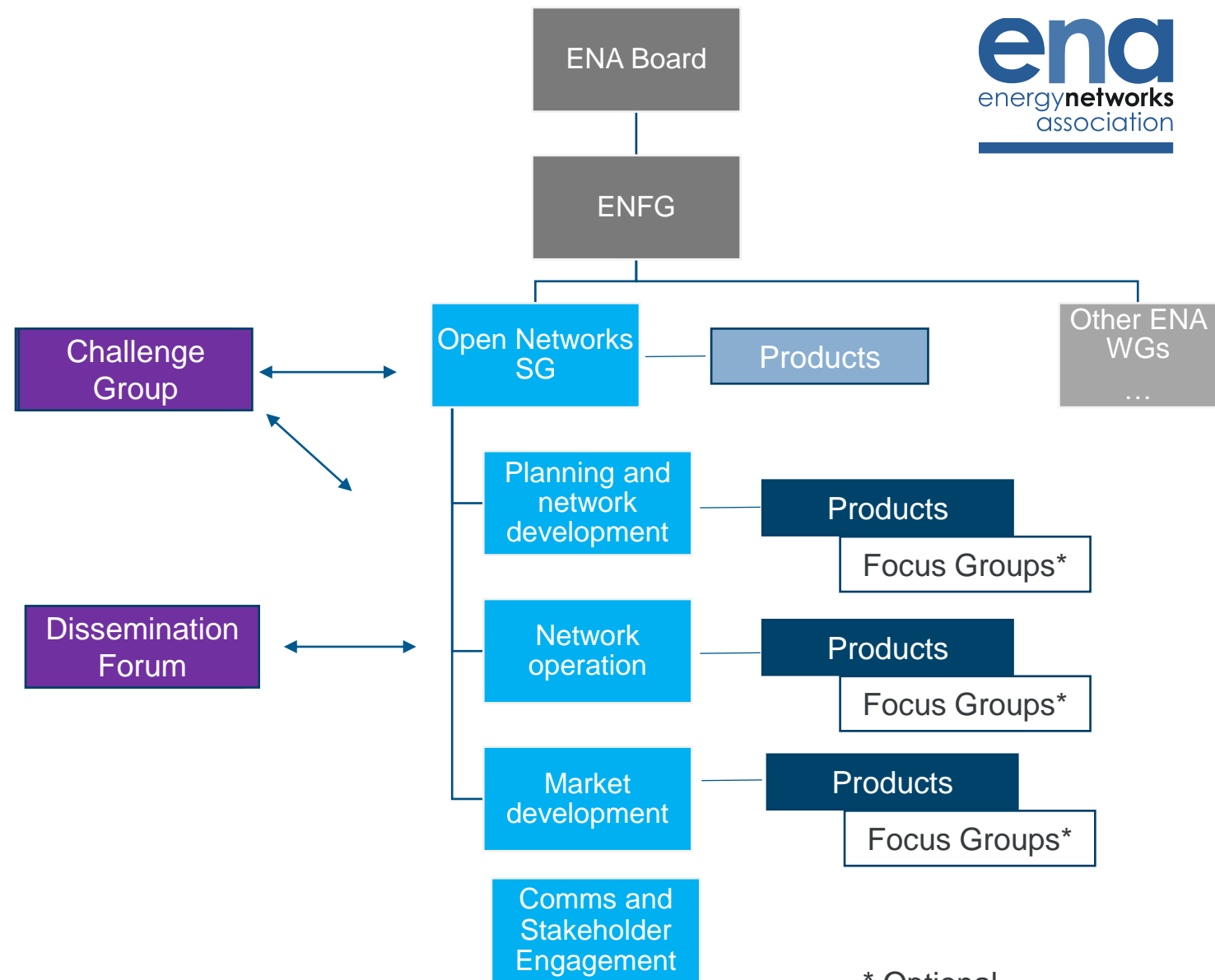
- Scope delivery of topics based on outcomes and not as a 12- month programme outputs

- “go live in all tenders from 2024”
- “implemented by end of 2023”

- Stakeholder engagement– Revisit ToR for Stakeholder engagement WS to ensure individual network companies and the programme efforts are optimised

- Retain Some key products Under ON governance ( e.g. CEM , Baselining tool etc)

- Key Strategic Products - under SG, led by ENA
- Factor capacity headroom to be more agile to incorporate new areas of work in response to developments in the industry



\* Optional

## Proposed 2023 delivery approach

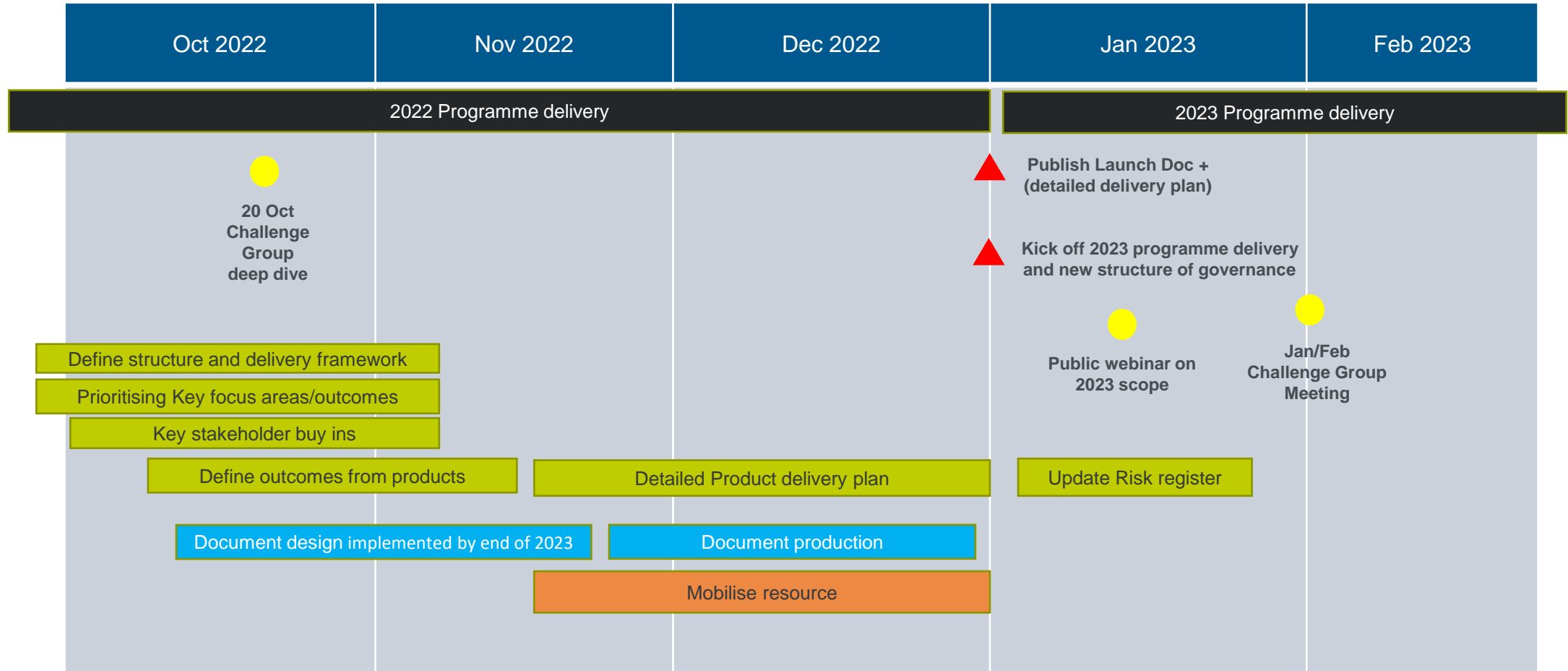
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  - Market Development
- Scope delivery of topics based on outcomes and not as a 12- month programme outputs
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- Stakeholder engagement– Revisit ToR for Stakeholder engagement WS to ensure individual network companies and the programme efforts are optimised
- Retain some key products under ON governance (e.g. CEM , Baselining tool etc)
  - Key Strategic Products - under SG, led by ENA
  - Factor capacity headroom to be more agile to incorporate new areas of work in response to developments in the industry
- Consolidate relevant products with wider ENA consolidation

## Delivery plan

- Develop an external facing “launch document” – an accessible 8-10 page document capturing our approach and key outcomes in simple language
- Determine key outcomes and timelines for identified product areas
- Develop a handover plan for products consolidated within wider WGs at ENA
- Work with Stakeholder engagement WS to tie develop a narrative for main deliverables at end of 2022
  - End of year report (end of 5 years report)
  - 2023 programme launch document
  - Strategic Flex roadmap
- Develop a detailed delivery plan to aid programme product delivery (option to include as annex in the launch doc)
- Mobilise resources in line with the new WS structure
- Kick off 2023 programme delivery and new structure of governance
- Organise a public webinar to disseminate the 2023 plan including qualifier questions



# Timeline



# Reflection on 2022 Challenge Group engagement Challenge Group practices to start, stop and continue

Maxine Frerk (Challenge Group Chair)

# Challenge Group engagement practices to start, stop and continue

## Start

- Challenge Group will flag industry developments relevant to ON for the ON Steering Group to consider
- Agenda and presentation materials will be shared with the Challenge Group one week ahead of each session, rather than two weeks ahead, to give the most up to date view on product development

## Stop

- Retain the good level of Challenge Group interest and engagement with the programme
- Cover topics across the programme, beyond the flexibility workstream
- Product leads pose specific questions for the Challenge Group along with presentations
- Have one in-person meeting annually
- Capture challenges and actions in the Challenge Log

## Continue

# Recent and upcoming ENA events

Emily Jones (Head of Stakeholder Engagement)

## **Recent and upcoming ENA stakeholder engagement**

### **Next for Net Zero podcast series**

The limited podcast series was hosted by sustainability journalist Lucy Siegle as part of our 'Next for Net Zero' programme. The series showcases how the UK energy networks are supporting decarbonisation and getting beyond the headlines through in-depth and informal discussion.

[Listen back on ENA's website.](#)

### **Open Networks Dissemination Forum on 12<sup>th</sup> Dec**

Last Dissemination Forum of 2022 where Open Networks will be sharing recent work and achievements with wider industry stakeholders.

Challenge Group members are welcome to email [opennetworks@energynetworks.org](mailto:opennetworks@energynetworks.org) with a request to attend Dissemination Forum sessions.

### **2022 wrap up and 2023 work plan**

# AOB

## Useful Links

Programme  
Scope for 2022

Stakeholder  
events &  
supporting  
material

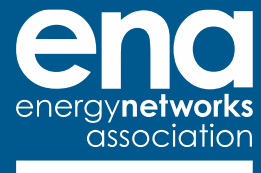
DSO Roadmap

Dissemination  
Forum  
application

*We welcome feedback and your input*

*[Opennetworks@energynetworks.org](mailto:Opennetworks@energynetworks.org)*

Click [here](#) to join our mailing list



**Energy Networks Association**

4 More London Riverside

London SE1 2AU

t. +44 (0)20 7706 5100

 @EnergyNetworks

[energynetworks.org](https://www.energynetworks.org)

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