



Open Networks Project

Advisory Group Meeting Response (12 Apr 18)

12 April 2018

Energy Networks Association

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Introduction

The sixth Advisory Group meeting for the ENA Open Networks Project was held on 12th April in London. Products from workstreams 1, 2 and 3 were presented to the group for input. A summary of the response to the consultation on the 2018 Programme of Work was also shared with the group.

Comments from these feedback sessions were captured in the meeting and this paper captures the key comments and how they have been addressed in in the project.

This paper sits alongside the published updated versions of the project material.

Breakout Session 1 – T – D Process workstream

The project team presented two items from the T – D process workstream (WS1) for feedback:

- Consultation on best practice for connecting flexible resources (WS1 Product 10)
- Whole system investment planning case studies & methodology (WS1 Product 1)

The below table shows the headline feedback received from the Advisory Group.

Advisory Group Feedback	Open Networks Workstream Response
Consultation on best practice for connecting flexible resources (WS1 Product 10)	
The group was generally supportive of progressing with the consultation to better understand the issues that flexibility providers, particularly storage, face in the post application stage of the connection process.	Based on this feedback, the consultation has now been launched and can be accessed here .
General feedback was that the queue management is a multifaceted process and we need to be mindful of the level of complexity involved. The principles of non-discrimination need to be maintained and the potential for unintended consequences such as gaming and queue blocking need to be considered in the next stages of work.	We recognise the challenges and complexity involved in this process and would maintain a non-discriminatory approach in any potential solutions that are considered.
Some members suggested considering an approach using algorithms that can be governed by code rather than revised processes for more optimised queue management.	<p>The focus of our work this year is to develop an action plan and identify short, medium and long term improvements that can be made to this process.</p> <p>The short term improvements are likely to be based on process improvements and the medium to longer term improvements would consider more radical options.</p>
Whole system investment planning case studies & methodology (WS1 Product 1)	
The current case studies are based on DNOs providing system solutions. Members asked if third party solutions (Distributed Generation) can also be considered as potential solutions.	The focus of this product is create a framework that allows utilisation of whole system solutions rather than create new markets to support the process.

	<p>There are already a number of initiatives such as Power Potential that are testing markets and the learning is being taken on board from these to support the development of this framework.</p> <p>This product would consider testing market based solutions in medium to longer term models. The idea for the short term model is to understand the barriers to whole system planning and put a common framework in place for the TSO and DNO to reach whole system solutions.</p>
<p>The case studies under this product and the RDPs are focussed on boundary issues. Advisory Group members asked how this process be scaled up to address wider issues.</p>	<p>The aim of the case studies is to test and adapt the process that has been established under the RDPs to address thermal constraints and high volts issues. The learnings from these case studies will allow us to make the process more generic to suit other networks issues.</p>

Breakout Session 2 – Customer Experience & DSO Transition workstreams

The project team presented items from the Customer experience workstream (WS2) and the DSO Transition workstream (WS3) for feedback:

- DSO functions (WS3 2017 Product)
- Definition of commonly used terms in the industry (WS2 Product 3)

Advisory Group Feedback	Open Networks Workstream Response
Definitions (WS2 Product 3)	
<p>The groups were broadly supportive of the attempts to achieve a level of consistency in terms and definitions across the industry.</p>	<p>Good to see stakeholders agree on the desire for consistency and the need to clarify terms and definitions particularly as part of the connections process and contractual relationships between networks and stakeholders</p>
<p>They recognised it was a huge task and suggested we prioritise and maybe look at the top 100 terms first. The work should have a defined scope such as terms most relevant to Open Networks.</p>	<p>Agreed that we should prioritise a sub-set. This could be first 100 or another number depending on how manageable an exercise it turns out to be.</p>
<p>There was quite a bit of discussion around whether this was a valid exercise if the definitions weren't codified in regulation but acknowledged the timescales of achieving this</p>	<p>It was agreed that a two-stage approach should be taken – the terms and definitions should be agreed as best practice and then this should form the basis for enshrining these definitions in regulation.</p>
<p>Implementation was highlighted as being key. It is important that network company designers and commercial staff were familiar with agreed definitions.</p>	<p>This has been factored into the product and an implementation plan will be proposed as part of the WS2 Product 3.</p>
DSO functions (WS3 2017 Product)	

The groups were happy with the changes to the functions based on feedback from previous advisory groups.	Changes made and will feature in the consultation
The groups were happy with the alignment of the customer categories and the actor definitions in the SGAM modelling	Changes made and will feature in the consultation

Breakout Session 3 – DSO Transition workstream

The project team presented a case study for the SGAM models being developed under the DSO Transition workstream (WS3) and sought feedback on how these models can be presented for consultation.

Advisory Group Feedback	Open Networks Workstream Response
<p>The members were impressed with the level of complexity and the amount of work that has gone into them. We also shared an actor centric HTML view for presenting the models in a simpler format. There was general agreement with representing the models in an actor centric HTML view but the feedback was to consider additional engagement with stakeholders so they better understand the work that will be put forward for the consultation and provide meaningful responses.</p>	<p>The feedback provided by the Advisory Group has been taken into account and the following additional activities have been planned for further engagement on the models ahead of the consultation:</p> <ul style="list-style-type: none"> - Technical peer review of Enterprise Architect SGAM models with academics to test and review the architecture of the models - Review of consultation structure, design and questions with the Advisory group at the next session on 4th June. - Critical friends review of final consultation document to ensure that the key messages are digestible for broad audiences. Advisory Group members will be given the opportunity to volunteer or nominate experts for this review. <p>We believe this additional pre-consultation engagement will provide greater clarity and will allow audiences to provide more meaningful responses. As a result of these activities, the consultation will now be launched towards the end of July 2018.</p>
<p>Other feedback from the Advisory Group was to consider a layered approach to the consultation that would allow stakeholders to delve into the technical detail should they wish to.</p> <p>Stakeholders also suggested using a matrix to capture responses on some of the more technical aspects on the models as this would</p>	<p>We recognise that we have a broad group of stakeholders with varying levels of interest in the detail of the models. With this in mind, we have designed the actor centric HTML view that provides a layered approach to viewing the models.</p> <p>The consultation document is being designed to support this layered approach and a matrix</p>

<p>allow for easier comparison between the models.</p>	<p>structure will be considered for capturing the technical feedback on the models to allow comparison of the models.</p>
<p>Stakeholders asked if the DNO and DSO should be treated as separate entities.</p>	<p>Ultimately the answer to this depends on the ability to design a DSO that is truly neutral, and that depends on the incentives and financial mechanisms that are put in place to fund the DNO and how they interact with the functions that the DSO performs.</p> <p>There are many people in the industry who believe that this neutrality is viable and desirable; the key point is that until the functions are understood in detail, no-one can say for certain.</p> <p>The industry has however already supported some key decisions to increase the probability of neutrality being demonstrated, including the limitation on DNOs owning storage and a desire to be the market facilitator, not operator.</p> <p>The Open Networks Project is focussing on defining the functions needed to allow this new Flexible system to operate, and only then will anyone have the knowledge to definitively say what the structure of the DNO and DSO should be. Similarly, the extent to which flexibility has permeated the distribution network will also have an impact on this judgement, and as a result what may be appropriate in the short term may not be the most appropriate solution in the long term.</p>
<p>Stakeholders asked for more coordination with Power Responsive.</p>	<p>We have taken this feedback on board and are engaging with the Power Responsive team to coordinate stakeholder engagement and comms.</p>