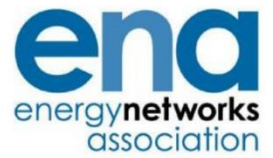


The Voice of the Networks



# Energy Networks Association

## Open Networks Project Advisory Group Response

20<sup>th</sup> November 2019

Restriction: Public

## Introduction

The fifth and final Advisory Group meeting of 2019 took place on 7th November at ENA's offices in London. This included presentations and updates on the Flexibility Services consultation, Workstream 3 Product 7: Conflicts of Interest and Unintended Consequences, Workstream 3 Product 5: DSO Innovation, and Workstream 4's interim report. The Advisory Group also had a roundtable discussion as the breakout sessions for detailed stakeholder input on the 2020 Scope of the Project.

General Project Updates	
The project team presented updates on publications to date, as well as an update on this summer's Open Networks consultation on Application Interactivity & Connection Queue Management, and ENA's response to the BEIS / Ofgem joint letter on Open Networks.	
Feedback	Response
<ul style="list-style-type: none"> <li>BEIS and Ofgem letter and response. At a high level this might be the agenda, but where is the specific actions on 'what are we going to do?' Different DNOs do different things, so is it possible to provide a common approach on this so it can be included in ED2?</li> </ul>	<ul style="list-style-type: none"> <li>The letter response is a link in to ED2</li> <li>Monitoring implementation shows how all network operators have implemented change in Open Networks and this will be updated for future products.</li> <li>We are looking to standardise where possible in Open Networks.</li> <li>Addressed further in the breakout session notes</li> </ul>

Workstream 1A: Flexibility Services Consultation Update	
<p>Following our consultation on Flexibility Services, an update was presented to the Advisory Group on the breakdown of who responded to the consultation, as well as key messages, and next steps.</p>	
Feedback	Response
<ul style="list-style-type: none"> <li>Has the timeline for the standard contracts changed?</li> </ul>	<ul style="list-style-type: none"> <li>Still on target for March, just need to see what that means for stakeholder engagement.</li> <li>It was suggested that Open Networks should hold a stakeholder review event of the contract before it is finalised and this is being considered for January.</li> </ul>
<ul style="list-style-type: none"> <li>Community Energy groups have some issues that aren't the same as larger companies, for example a Company's House number. Some lawyers won't be aware of these issues, so lawyers will need to talk to these groups when drafting the terms.</li> </ul>	<ul style="list-style-type: none"> <li>We will pass this onto the product team and keep the opportunity for stakeholder feedback open.</li> </ul>
<ul style="list-style-type: none"> <li>What is the governance, what if the industry doesn't like it? The scope of this activity could fit in DCUSA and D-Code, but it was recognised this could be inflexible. Potential to be caught by the scope of the regulation</li> </ul>	<ul style="list-style-type: none"> <li>Might reside with ENA, but also exploring the DCUSA and D-Code routes.</li> <li>Might not be the right stage to codify the contract at this stage of market development, so it may be that ENA govern this for a while until it is stable, then we look to codify it later (say for the start of ED2).</li> </ul>

Workstream 3 Product 7: Conflicts of interest and Unintended Consequences	
<p>The Workstream 3 Product 7 team presented an update on the Conflicts of Interest and Unintended Consequences tracker, including updates that were made following stakeholder feedback. This product has now been published, will be a live tracker, and will be updated on an ongoing basis.</p>	
Feedback	Response
<ul style="list-style-type: none"> <li>Product filled a gap in the collective understanding. BEIS and Ofgem feedback would be incorporated – would it be owned by them and not by ENA?</li> </ul>	<ul style="list-style-type: none"> <li>BEIS and Ofgem have been very engaged with the product, happy it exists, but still some work to do with them before we can identify where it sits. At this point, they're happy to own and acknowledge their own risks and for ENA to manage this in an open and transparent way.</li> </ul>
<ul style="list-style-type: none"> <li>Thought it was useful, but there is a lot that needs to be solved by Ofgem and BEIS, but referring items back to Open Networks could introduce delay</li> </ul>	<ul style="list-style-type: none"> <li>This is what the 'owner' column is meant to solve</li> <li>If there are big risks that stakeholders think should be flagged, let us know and we can let Ofgem &amp; BEIS know</li> </ul>
<ul style="list-style-type: none"> <li>Bring the product back to the Advisory Group at some point next year – summer? If you're going to a workshop on this, it forces you to read the thing and work through it</li> </ul>	<ul style="list-style-type: none"> <li>True that there is a lot, but its easily sortable because you can organise it by status</li> <li>Bring it to the July Advisory Group, but notify stakeholders when significant updates are published</li> <li>Open up the invite list to external participation</li> </ul>

### Workstream 3 Product 5: DSO Innovation

Stakeholders welcomed the update on the DSO transition innovation areas, and the chance to vote on what areas of innovation should be prioritised.

More information on WS3 P5 can be found on the ENA website:  
<http://www.energynetworks.org/assets/files/ONP-WS3-P5%20LCNI%20Handout-FINAL.pdf>

Workstream 4: Interim Report	
<p>The recently published Workstream 4 Interim Report outlines the method and approach taken to developing whole energy system outcomes in the Open Networks Project, as well as opportunities that have been identified at this stage. The project team outlined the findings of the Interim Report to the Advisory Group, and noted that the final report is due to be published at the end of 2019.</p>	
Feedback	Response
<ul style="list-style-type: none"> <li>Is there any joined up DNO GDN thinking?</li> </ul>	<ul style="list-style-type: none"> <li>That's what we're starting to look at with this report, we're going to flesh it out more fully now and then start to implement</li> </ul>
<ul style="list-style-type: none"> <li>Who will be paying for the optioneering service? Either the Local Authority gets budget to get consultants to do it, or networks become a bit more involved, and if networks are here in the long term, networks could take this on in the longer term.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed to trial the service during as part of the 2020 product scope. This would provide greater insight into what is involved, costs and benefits.</li> </ul>
<ul style="list-style-type: none"> <li>Decentralised, but community energy Scotland / England can help shape these outcomes, to raise the issues and help authorities to solve them.</li> <li>The majority of local authorities have declared a climate emergency, and have more aggressive net zero targets than Government.</li> </ul>	<ul style="list-style-type: none"> <li>Open Networks will be supplementing our stakeholder activities in 2020 with specific Community Energy Forums which will provide the ideal forum for input across all of Open Networks. We will engage local community energy through the trials of this service.</li> </ul>

Breakout: Open Networks 2020 Scope	
<p>The breakout session for this Advisory Group was focussed on Open Networks 2020 scope. Stakeholders were presented with detailed slides on the activities of each of the Workstreams and products for development.</p>	
Feedback	Response
<ul style="list-style-type: none"> <li>Data working group is an important part of the work is being considered in the Open Networks Project, so can it have the same principles of transparency and openness applied. Can it form part of the PID?</li> </ul>	<ul style="list-style-type: none"> <li>We will reference in the PID about how it fits in to our governance, but it has its own Terms of Reference.</li> </ul>
<ul style="list-style-type: none"> <li>Would the AG be useful for the Data Working Group?</li> </ul>	<ul style="list-style-type: none"> <li>Advisory Group doesn't directly inform the Data Working Group, but there's no reason why there can't be a standing agenda item for an update</li> <li>Group isn't fully established yet and haven't agreed their Stakeholder Engagement at the moment</li> </ul>
<ul style="list-style-type: none"> <li>BEIS and Ofgem are sitting on a lot of consultations after purdah, so January will be a manic time for consultations.</li> </ul>	<ul style="list-style-type: none"> <li>We appreciate this and are ensuring the PID consultation in January and February will be as light touch possible with a single page cover consultation paper.</li> <li>Consultation won't stop us working on what we said we would</li> <li>Consultation will help us tweak our work moving forward</li> </ul>
WS1A	
<ul style="list-style-type: none"> <li>If you leave this too long, everyone has already done their own thing and it's difficult to unwind all of that work. Standardisation aids customers.</li> </ul>	<ul style="list-style-type: none"> <li>We have found this for branding of DSO services so are keen to avoid this, but we are striking the balance between standardisation and not fixing practices too early before we have had the chance to learn what works best.</li> </ul>
<ul style="list-style-type: none"> <li>Development time and legal capacity is all taken up with any changes to terms and conditions etc. Need to beware of locking everything in too early and say 'job is done', but need a suite of common products to be standardised so we can get on with it.</li> </ul>	<ul style="list-style-type: none"> <li>ONP has defined four core services and can now look at further standardisation</li> <li>Already looking at commercial contracts and T&amp;Cs</li> <li>Operation interface is important               <ul style="list-style-type: none"> <li>Integration of platforms. These could become hurdles if all start to do their own thing. More despatch.</li> </ul> </li> <li>Common procurement standards are important.</li> </ul>

<ul style="list-style-type: none"> <li>Is this something that should be done on a rolling basis? Could ENA bring all of this together? Very helpful to bring all the markets and how they're currently working, and this is where they all align.</li> </ul>	<ul style="list-style-type: none"> <li>Flexibility in GB page provides an overview of timelines, as well as dynamic links to all procurement</li> <li>Will have the DSO products that were defined this year in 2020, but tighter</li> <li>Terms and conditions will be standardised</li> </ul>
<ul style="list-style-type: none"> <li>Standard contract, lawyers could take significant effort and risk over-standardisation.</li> </ul>	<ul style="list-style-type: none"> <li>There are schedules in the contracts that provide for metering and reporting and divergence over and above key common elements.</li> </ul>
<ul style="list-style-type: none"> <li>Standard terms, standard definitions, and service schedules that are recognised from DNO to DNO, the service characteristics changing geographically would be okay.</li> </ul>	<ul style="list-style-type: none"> <li>As above, there will be variations, as described.</li> </ul>
<ul style="list-style-type: none"> <li><b>It was suggested that if we consult in July, we should ask what else we might need to converge on</b></li> </ul>	<ul style="list-style-type: none"> <li>Noted for input to July consultation.</li> </ul>
<b>WS3</b>	
<ul style="list-style-type: none"> <li>When is stakeholder input expected for DSO Implementation plan? If this is going to be informing ED2, stakeholders should be involved during the process</li> </ul>	<ul style="list-style-type: none"> <li>Will feed into DSO work whether we can bring a view of developments into the March Advisory Group</li> </ul>
<b>WS5</b>	
<ul style="list-style-type: none"> <li>Advisory Group is a good forum for suggested attendees for the Community Energy Forums</li> </ul>	<ul style="list-style-type: none"> <li>Noted.</li> </ul>