

The Voice of the Networks



# Energy Networks Association

## Open Networks Project Advisory Group Response

2 July 2020

Restriction: Public

## Introduction

The third Open Networks Advisory Group meeting of 2020 took place on 2 July 2020. Due to the ongoing COVID-19 situation the meeting was held digitally. The project presented a number of updates first on general progress, the DSO Implementation Plan and Conflicts of Interest Register, ANM vs Flexibility Stackability, the upcoming Flexibility Consultation, and ENAs Gas Goes Green Project. There were then more detailed presentation seeking feedback from Advisory Group members on key products

WS3 P2: Conflicts of Interest and Unintended Consequences Tracker	
Feedback	Response
<ul style="list-style-type: none"> <li>Getting the register aligned with the timeline for DSO IP would be very useful. Would this have any impact on the plan - i.e. mitigation needed before you can progress to the next step?</li> </ul>	<ul style="list-style-type: none"> <li>Understanding how the register could be aligned with the DSO IP effectively, what the process might look like and potential interactions is currently being considered with the WS3 DSO IP lead. We will share any decision and rationale with the AG when we provide the August release of the UC and Col register.</li> </ul>

WS1A P5: ANM vs Flexibility Stackability	
Feedback	Response
<ul style="list-style-type: none"> <li>How often are the ANM connections reviewed – i.e. to check if the conditions are still relevant to the site / locality? (Assuming that in some areas there will have been reinforcement and/or new connections which have mitigated)</li> </ul>	<ul style="list-style-type: none"> <li>The performance of ANM connections against user requirements is reviewed upon request. Other options, such as contribution toward conventional reinforcement or increases/reductions in capacity are always available and are managed through the standard connections process.</li> </ul>
<ul style="list-style-type: none"> <li>Good to see the desire to move away from mandated flex, but how does this fit with the statements from several DNOs in their DSO vision papers that they are rolling out ANM across their full regions? Feels like mixed messaging.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of ANM technology is in many DNO strategies and, for some, will be key in delivery smarter, more flexible electricity systems, but that does not automatically require mandated flexibility. The Flexibility First commitment for seeking commercial options for managing constraints ahead of conventional reinforcement is seeking flexibility through market mechanisms and is opt-in.</li> </ul>

Gas Goes Green	
Feedback	Response
<ul style="list-style-type: none"> <li>Will hydrogen be able to be safely put into storage similar to the storage capacity we use for natural gas at the moment, do you know if we would be able to use current sites or would we need to develop brand new sites for storage?</li> </ul>	<ul style="list-style-type: none"> <li>Storage operators are actively investigating options for hydrogen. Some salt caverns used today to store natural gas were used to store hydrogen in the past, so this may be an option and has been considered by H21. H100 will have above ground storage. Safety assessments would be needed. Capacity would change due to the lower energy density of hydrogen. The ability to use existing natural gas storage sites would need to be assessed.</li> </ul>
<ul style="list-style-type: none"> <li>Was there any independent input into the Gas Goes Green scenarios?</li> </ul>	<ul style="list-style-type: none"> <li>The 2020 programme of work for Gas Goes Green was informed by the <i>Pathways to Net-Zero: Decarbonising the Gas Networks in Great Britain</i> report, which was prepared for ENA by independent consultants, Navigant. Several stakeholder sessions were held to shape this study, those stakeholders are listed in Appendix A of the report, available <a href="#">here</a>.</li> </ul>

Flexibility Consultation	
Feedback	Response
<ul style="list-style-type: none"> <li>Will new papers or draft products be published alongside the overarching consultation wrapper. For example, last year a number of papers came out including Flexibility Principles and also the framework for the standard contract?</li> </ul>	<ul style="list-style-type: none"> <li>Yes, we will publish output from all of our work in development across the whole Flexibility Workstream 1A to support the consultation wrapper.</li> </ul>
<ul style="list-style-type: none"> <li>As a general comment across all the flex products, please consider how these work for aggregation, including aggregation of small assets e.g. where it is not appropriate for individual assets to technically pre-qualify - at least not in the same way as large assets.</li> </ul>	<ul style="list-style-type: none"> <li>Noted. In addition to Advisory Group feedback, we would also encourage comments to be sent in as formal consultation responses.</li> <li>We have included specific questions in the consultation on residential flexibility and stakeholder engagement</li> </ul>
<ul style="list-style-type: none"> <li>In terms of Consultation 'reach', has the ENA considered links to other business Trade Associations other than MEUC who are attending?</li> </ul>	<ul style="list-style-type: none"> <li>We have Energy Intensive Users Group and the Retail Energy Forum as members of the Advisory Group, but they do not generally attend.</li> <li>We are always considering how to get as wide reach as possible with our consultations and will be working with our members and the Advisory Group to ensure we reach as many stakeholders as possible to encourage as much feedback as possible.</li> <li>We requested that Advisory Group members who had other contacts to send them in to the project at <a href="mailto:opennetworks@energynetworks.org">opennetworks@energynetworks.org</a></li> </ul>

WS1A P4: Commercial Arrangements	
Feedback	Response
<ul style="list-style-type: none"> <li>From experience of client feedback some wider clauses are still considered unpalatable and a barrier to customers, not insurmountable but as they stand, our Supply/Aggregator business would not sign and therefore we could not expect our I&amp;C customers to sign e.g. customers will not add the DNO (Company) as a named party on their Insurance policies; most will not permit “free and unrestricted access rights”; or accept “Best Endeavours” instead favouring “Reasonable Endeavours”; contract termination for change of control is not acceptable; certain clients would need to see and approve publicity.</li> </ul>	<ul style="list-style-type: none"> <li>These points will be absorbed into the consultation responses and considered for the Version 2 revision release, the point on aggregators has been of widespread comment and will be a focus point for the P4 team. In addition, the team are committed to releasing a final draft of the agreement for consideration prior to implementation which will allow further feedback before a final version is released.</li> </ul>

WS1B P2: Whole System FES – Coordination of National and Regional FES	
Feedback	Response
<ul style="list-style-type: none"> <li>From delivering DFES assessments for 5 years, Regen has found the baseline, pipeline and future growth modelling has evolved organically.</li> </ul>	<ul style="list-style-type: none"> <li>That’s correct. In general, the baseline is captured through existing records of DNOs as well as measurement data, while the pipeline is mostly based on existing accepted connections.</li> </ul>
<ul style="list-style-type: none"> <li>Looking at the DFESs produced by DNOs this year, the way the data is presented differs between all DNOs. Will this work also result in the key outputs being presented in a sufficiently standardised manner for users to make the DFES's more user friendly and comparable?</li> </ul>	<ul style="list-style-type: none"> <li>We have agreement on the format of the data employed for the forecast publication. This includes the same scenarios, number of projection years, demand/generation building blocks and different technologies profiles. This facilitates forecast comparison between different DNOs DFES and GBFES. However, the format of the DFES publications in general is decided by each DNO individually based on its stakeholders needs.</li> </ul>

WS1B P5: Whole System FES – Signposting of Potential Network Capacity Requirements	
Feedback	Response
<ul style="list-style-type: none"> <li>In the Signposting Data, we are keen to understand sensitivities and assumptions too so that developers of flexibility in an area understand whether the requirement is likely to endure or be displaced over time either by reinforcement or other connections/developments/business closures.</li> </ul>	<ul style="list-style-type: none"> <li>Thank you for your comment which we shall reflect on as we shape our proposal for a standard network capacity report. Understanding of sensitivities could be derived from including in the standard approach the reporting of network capacity for multiple forecasts corresponding to well defined scenarios. Indication of the enduring nature of a network requirement could be given by reporting for sufficient years into the future.</li> </ul>