



Open Networks Project Invitation To Tender for 2020 WS1A P7 Baseline – Redacted Version

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Energy Networks Association

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1 Introduction

As set out in the 2020 Project Initiation Document¹, the ENA Open Networks (ON) project is planning to undertake an assessment of current work in the industry that relates to the development of a baselining methodology for measuring delivery of services through third party assets and recommend further actions DNOs/DSOs could take to achieve a consistent approach.

Through this work, the DNOs wish to explore if the adoption of a common baselining methodology can be employed when verifying distribution flexibility providers response to a flexibility event.

1.1 Purpose of this ITT

This Invitation to Tender (ITT) outlines the delivery requirements and the process to submit bids. As this tender process is being run through ENA's CEP framework, the CEP Terms and Conditions for engagement will apply.

We kindly request that you send your response in accordance with the instructions outlined in this document, ensuring that you follow instructions and maintain the page limits.

1.2 About ENA and Open Networks Project

Energy Networks Association (ENA) represents the “wires and pipes” transmission and distribution network operators for gas and electricity in the UK and Ireland. Our members control and maintain the critical national infrastructure that delivers these vital services into customers' homes and businesses.

The Open Networks Project is a key initiative to deliver Government policy set out in the Ofgem and BEIS Smart Systems and Flexibility Plan, the Government's Industrial Strategy and the Clean Growth Plan. The Open Networks Project is working in collaboration with Ofgem, BEIS, 10 of UK and Ireland's electricity network operators and other key stakeholders to look at the transition to DSO and address the challenges associated with the changing roles and responsibilities in the sector in the short medium and long term.

1.3 Background to Requirement

A baseline is the established level of DER base load from which a delta is measured to calculate level of service delivered. For Distribution Flexibility, base load is usually measured over a historic period (previous week/month) to establish an average baseline, this average is the point from which any delivery of flexibility is measured. Using average baselines from historic base load data enables DER stack-ability with other markets.

To date each DNO/DSO has developed their capability in flexibility supporting differing methodologies to establish baselines. While DNOs experience operating flexibility is still in its infancy it is unpractical to establish good practice. However, it is agreed that any possible alignment in this area will benefit both providers and the DNO, therefore assessment of existing practices should be undertaken.

¹ <https://www.energynetworks.org/assets/files/ON-PRJ-2020%20PID%20Post-Consultation-PUBLISHED.pdf>

1.4 Additional documents

The following documents form part of this ITT and should be taken into account in the submission:

- ON 2020 Project Initiation Document²
- Product Scope of Works Document (provided as an attachment)
- CEP Terms and Conditions

² <https://www.energynetworks.org/assets/files/ON-PRJ-2020%20PID%20Post-Consultation-PUBLISHED.pdf>

2 Requirements

The requirement is to undertake an assessment of existing practices and deliver recommendations for alignment. The sections below set out the ways of working, scope and timelines for this work.

2.1 Methodology for development of work

The development of this work will be undertaken using a phased approach with consultants being engaged to lead Phase 2.

Phase 1 – DEFINE

Led by WS1A ON P7 Product Team

- Agree common success criteria & baseline principles. It is anticipated the baseline principles will consider and weight criteria which will include the following;
 - Accuracy tolerance,
 - Implementation complexity,
 - DNO replicability,
 - Provider stack-ability,
 - DNO verifiability,
 - DNO/Provider benefits.
 - Any others as identified.
- Produce relevant questions for WS1A July public consultation.
- Define scope for consultancy support & procure consultants.

Phase 2 – RESEARCH

Consultant led

- Research existing UK and Ireland ESO & DSO baselining practices along with any EU or other international practices identified as relevant by the consultant or as directed by ENA. It is anticipated the consultant's research will consider the following statements;
 - The baseline methodology should be common across the defined Distribution Flex Product types.
 - A suite of methodologies may need to be developed to support differing DER types e.g. storage, turn-down, generation etc...
 - A baseline determined using historical (weekly/monthly) demand data will support provider stack-ability opposed to a real-time baseline.
 - Any others as identified.
- Assess responses to WS1A July consultation.
- Engage further with any existing industry expertise that is identified
- Weight/score existing baseline practices in line with agreed baseline principles.
- Produce findings and recommendations report

Phase 3 – CONSOLIDATE

Led by WS1A ON P7 Product Team

- Assess and agree recommendations from Findings Report.
- Present findings to WS/SG group and agree if common approach can/should be adopted.
- Final findings & Recommendations report.
- Gap analysis and impact assessment of implementation (IT systems, resource etc.).
- Produce timeline for adoption of common approach.

2.2 Scope and Outputs

The scope is to undertake research and assessment of current work in the industry that relates to the development of a baselining methodology for measuring delivery of services through third party assets and recommend further actions DNOs/DSOs could take to achieve a consistent approach.

The scope will include all requirements set out for Phase 2 above.

2.3 Assumptions

The following assumptions have been made and need to be taken into account for this work:

- Freely shared methodologies from all parties identified for research.

2.4 Out of scope

The following are exclusions from the scope of this work:

- Interface protocol standardisation.
- Payment mechanics for settlement and under-delivery.

2.5 Ways of Working

The Open Networks Project has a dedicated Workstream for Flexibility Services (WS1A), which has a number of representatives from network operators, as well as representation from BEIS and Ofgem.

There is a product team established for this work which we expect the consultants to work with in developing this work. This project team will give guidance on the development work and is a bank of resource to use in the development work. We expect that the product team will provide network specific input.

All deliverables will be reviewed with the product team and then the Workstream meeting and will be approved by the Open Networks Steering Group before publication.

Open Networks has an Advisory Group³ to seek input from industry stakeholders on the development work. This group has over 40 representatives from across the industry and meets every two months. We expect consultants to present the work to this forum to get stakeholder input.

2.6 Review and Governance

We expect a weekly progress call with the Product Team to monitor progress against the delivery plan and provide advice and guidance and to the consultants.

You will be expected to present progress and development material on a as needed basis to the Open Networks WS1A meeting, for advice, guidance and help with the development work. You will also provide updates to the Steering Group (SG) on a as needed basis.

³ <https://www.energynetworks.org/electricity/futures/open-networks-project/open-networks-project-stakeholder-engagement/advisory-group.html>

Open Networks has an Advisory Group⁴ to seek input from industry stakeholders on the development work. This group has over 40 representatives from across the industry and meets every two months. You will present development to this forum to get stakeholder input.

In terms of sign off on final deliverables, WS1A will be responsible for a final review and the Open Networks Steering Group will be approving them. Please note that final deliverables will need to be shared 1 week in advance of the meetings to ensure sufficient review time.

Please factor in reviews as above into your delivery plan – relevant meetings are as below.

2020	WS1A	SG	AG
Aug	25-Aug	N/A	N/A
	15-Sep	N/A	03-Sep
Sept	06-Oct	N/A	28-Oct
	27-Oct		
Nov	17-Nov	19-Nov – potential review	N/A
Dec	08-Dec	17-Dec - approval	

2.7 Timeline for delivery of services

Activity	Timeline
Mobilise & refine scope with product team	Aug 20
Assess ENA consultation responses	Sep – Oct 20
Conduct research with identified SO's and other relevant parties	Oct – Nov 20
Review and consolidate findings with product team	Dec 20
Findings and recommendations report	Dec 20

2.8 Desirable Experience

- Consultancy with expertise and experience of delivering similar work.
- Previous experience of working with Electricity Networks on flexibility services.

⁴ <https://www.energynetworks.org/electricity/futures/open-networks-project/open-networks-project-stakeholder-engagement/advisory-group.html>