Challenge Group

ENA Open Networks

13 March 2024

The voice of the networks

Agenda

Item	Start	Finish	Time	Item	Presenter
1	13:30	13:35	5	**Welcome** **Apologies** - Olly Frankland (Regen)	Maxine Frerk (Challenge Group Chair)
2	13:35	13:45	10	**Recent industry developments and ON impact** Open discussion on industry developments and their potential impact on Open Networks	Maxine Frerk (Challenge Group Chair) & All
3	13:45	14:15	30	**Procurement Processes** Priorities for a potential new working group	Reece Breen Begadon (ON Technical Advisor, ENA)
4	14:15	14:45	30	**Dispatch Interoperability**	Tim Manandhar (UKPN), Joe Davey (NG ED) (Technical working group co-Leads) & Avi Aithal (Head of ON, ENA)
5	14:45	14:55	10	**Quick working group updates** Standard Agreement, Primacy, Stackability	Reece Breen Begadon (ON Technical Advisor, ENA)
6	14:55	15:00	5	**AOB**	Maxine Frerk (Challenge Group Chair) & All

Recent industry developments and ON impact

Open discussion on industry developments and their potential impact on Open Networks

Maxine Frerk (Challenge Group Chair) & All

Procurement Processes

Reece Breen Begadon (ON Technical Advisor, ENA)

Market Development – 2023 recap

Status	Working group	Outcome
Consultation review	Standard Agreement	All networks implement Ver 3.0 of the agreement
Complete	Pre-qualification	80% of common DPS and PQQ questions across DNOs by April 2024
Work in progress	Flexibility Products	80% of flex market-testing is with common products by April 2024
Work in progress	Settlement	All DNOs use aligned settlement process by summer 2024

Problem statement

- Elements of flexibility procurement are being standardised but the process itself can vary between networks. There can be variation in the timescales of each stage, information published and procurement rules that impact on provider ability to participate in markets and may prevent stackability.

- Key barriers are being addressed through ON (e.g. standard products, pre-qualification, contracts). We are looking to understand whether you see any further high importance and urgent barriers that need to be addressed within the procurement process.

Questions for the Challenge Group

1. Are there any other barriers to market participation in DNOs procurement processes, besides those already being addressed by ON?

2. If you see any additional barriers, which of these are of highest priority to you?

3. In relation to other ON working groups, how important would this new working group be to you?

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Dispatch Interoperability

Tim Manandhar (UKPN), Joe Davey (NG ED) (Technical working group co-Leads) &
Avi Aithal (Head of ON, ENA)

Agenda

- **Summary of Options assessment**
- **Summary update**
- **Proposed Stage Gate process**
- **Appendices: Detailed updates**

Reminder: Summary of Options assessment
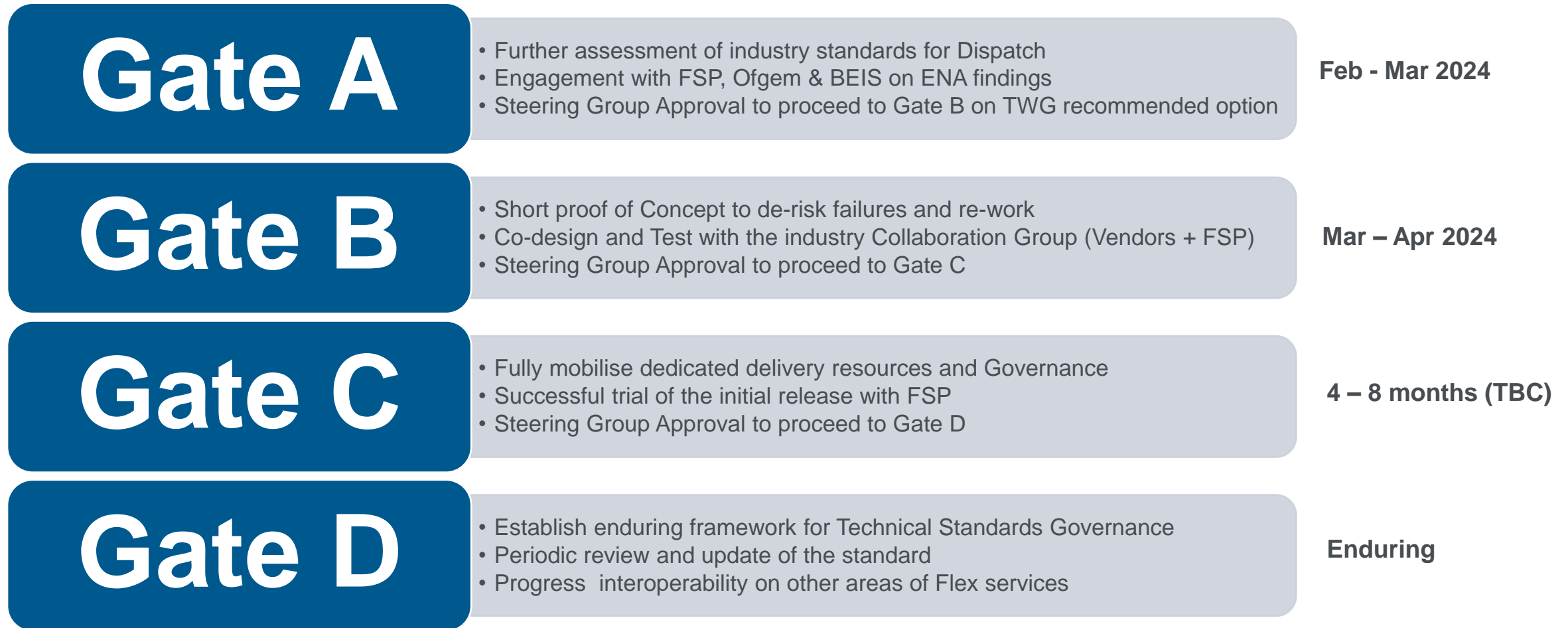## Currently options C and E are under review

Option	Summary	Interoperable?	Timescale?	Viable
A	Adopt platform	N	Time for NOs to adopt a new dispatch platform and discard existing	N
B	Adopt platform API spec	N	Time to convince existing dispatch platform vendor to implement another vendor's IPR/spec.	N
C	**Create standard over top of existing standard**	**Y**	**1-2 years (based on market engagement survey)**	**Y**
D	"Do nothing tactical"	N	N/A	N
E	Build standard with platform vendors and industry	Y	~3-6 months, vendor dependent (and awaiting further responses)	Y*

Summary update

Action from the Steering Group on 17th Jan: **Carry out further investigation on Industry Standards (Option C) to fully rule out its viability before committing on developing UK specific standard (Option E). Summary update as follows.**

1. Key update: OpenADR 2.0 is not viable, but the recently published OpenADR 3.0 is potentially viable.

2. Expected min. 2-month delay against the previous plan (Option E) while this investigation progresses (time estimate based on current info).

3. Detailed review on-going for OpenADR standard by PNDC along with high level assessment of other industry standards.

4. Engaged with OpenADR Technical Director on 29th Jan. Detailed discussion with OpenADR Technical team on-going to establish the Effort/Time/Cost/Complexity.

5. Engagement sessions conducted with Ofgem and BEIS

6. FSP stakeholder engagement is planned using online questionnaire to gain user feedback on our findings and options.

7. Recommendation after the FSP engagement but timescales dependency on availability and response rate from OpenADR.

8. OpenADR 3.0 may have potential extra benefits in standardising other flex services functions other than dispatch, in line with the wider gap analysis previously carried out by the TWG.

9. As we have raised at the Steering Group, this work irrespective of Option C or E will require dedicated project delivery resourcing to enable focus and pace in delivery, as well as to ensure efficient coordination and engagement with all the industry stakeholders involved.

Proposed Stage Gate process

Gate A
- Further assessment of industry standards for Dispatch
- Engagement with FSP, Ofgem & BEIS on ENA findings
- Steering Group Approval to proceed to Gate B on TWG recommended option

Feb - Mar 2024

Gate B
- Short proof of Concept to de-risk failures and re-work
- Co-design and Test with the industry Collaboration Group (Vendors + FSP)
- Steering Group Approval to proceed to Gate C

Mar – Apr 2024

Gate C
- Fully mobilise dedicated delivery resources and Governance
- Successful trial of the initial release with FSP
- Steering Group Approval to proceed to Gate D

4 – 8 months (TBC)

Gate D
- Establish enduring framework for Technical Standards Governance
- Periodic review and update of the standard
- Progress interoperability on other areas of Flex services

Enduring

Appendices

Detailed update

Content

1. Update on reviewing standards options in light of clarification of not being driven by "open letter" timescales

2. Potential benefits on other areas of flex services

3. FSP engagement plan and objectives

4. Project delivery resourcing requirement

5. General wider due-diligence

6. Risks

1. Update on options review and progression

- Our previous (timescale driven) recommendation was to develop a new UK-specific dispatch protocol and standard, given the time that would be required to uplift existing ones to meet UK needs (adding explicit dispatch, other fields, architecture review etc).

- Since our previous options analysis, OpenADR 3.0 has launched (Dec 2023), which presents a new potentially viable standard for dispatch.

- If we are not driven by the Summer 2024 timescale, then OpenADR 3.0 presents a potentially viable option with some other benefits and may present a viable medium/long-term option due to alignment with international standards (helping to lay the ground for future-proofing).

- Following engagement with Ofgem around options, we have had an initial technical discussion with OpenADR's technical director, and this conversation is progressing at pace.

- The TWG has created a set of clarification questions to gain a clearer understanding of OpenADR 3.0 and how it might be possible to use or extend it for flexibility dispatch communications

2. Potential benefits on other areas of flex services

- There are some potential wider benefits of adopting a solution like OpenADR when unconstrained by the Summer 2024 timescale, that would be in line with wider FSP input around a better integrated solution that incorporates metering and availability declarations and similar.

- OpenADR includes a standardised network operator -> flex platform interface to make it easier to move provider in future.

- These opportunities would align with Ofgem's view of following stakeholder and FSP feedback, but would require input from other working group areas – metering, availability, etc.

- This will require further work in order to prioritise these as either an initial MVP release, or to lay the groundwork for it to be added in future with minimal impact on FSPs and others.

3. FSP engagement plan and objectives

- Current intention to conduct online questionnaire followed by FSP engagement session at later stage.

- A focus will be on gaining as wide FSP representation as possible (both larger and smaller providers), and in designing the engagement to help reach clear conclusions and next steps.

- We intend to validate our design principles with FSPs, and also ask FSPs to make simple ranked choices of "A over B" vs "B over A" in order to understand relative priorities of opposing ideas and deliver actionable responses that help shape future work in line with the design principles.

5. General wider due-diligence

- We have contacted OGS and Quality Logic to seek comments on potential gaps in our previous work on identifying options for dispatch standards,and awaiting feedback from them on this matter.

- We have contacted OpenADR (as set out before) to work through some questions with them based on TWG areas of clarification.

- PNDC are arranging a meeting with OGS to re-visit and discuss CIM and discuss the proposed design principles.

6. Risks

- Current investigation work risking delays (2 months Jan/Feb) in ENA timescales of summer 2024

- Progress of the investigation is heavily dependent on the availability of external parties (OpenADR)

- Delay in provision of dedicated resourcing (External, ENA and network operators) can impact the pace of technical delivery.

- FSP mixed views. Not being able to gain definitive or substantive technical confidence in response from FSPs during stakeholder engagement.

- Given the importance of cyber security for internet-based dispatchable systems, if security is not implemented/ designed correctly, it may lead to re-work for all parties involved, or lead to putting UK CNI at risk.

Questions to the Challenge Group

Do you agree with our understanding of stakeholder feedback from previous engagements:

- FSPs want to see delivery at pace, but with confidence that the API will become an enduring standard with long term support, in order to minimise the risk of any requirement to re-work integrations with their assets.

- FSPs are generally keen for an iterative approach to development, rather than waiting a long time for a perfect solution. We understand that an iterative approach enabling features to be added is desired, but we also understand that stakeholders are keen to avoid breaking changes that would break backwards compatibility. This was underlined by a general desire for anything implemented to have enduring support, rather than be a short-term temporary solution.

- FSPs were often indifferent about the technical specifics of a dispatch platform, but were keen on the API being consistent across System Operators, the solution having longevity, and being simple to deploy.

- FSPs generally prefer the use of more modern "web-style" technologies and protocols (for example, JSON and REST; as opposed to XML and SOAP), since use of more modern technologies makes it easier to access developer skills and resources (either in-house, or from outside suppliers).

Questions to the Challenge Group

(Continued) Our understanding of stakeholder feedback from previous engagements:

- FSPs generally prefer the use of "web" and "IT" approaches, as opposed to more traditional energy domain standards and approaches.

- FSPs expect System Operators to take the lead on security matters.

- System Operators recognise that they will need to lead by example on security, but will require FSPs to take a shared responsibility for security, with suitable controls in place proportionate to the aggregated size of their portfolio(s) or points of common dependency.

- FSPs want documentation of the common and interoperable API, but find "worked examples" and demonstration/sandbox implementations as being more useful in enabling experimentation, testing progressive implementation builds, and ensuring a common understanding of an API specification.

Questions to the Challenge Group

Validating our understanding of stakeholder feedback:

- For reasons of protecting the integrity of the market and security of the system, dispatch instructions should be confidential until after the event.

- System operators will maintain audit logs for their own needs, and FSPs are free to maintain their own logs if they want to, but system operators should not place any requirement on FSPs to maintain logs.

- Units and increments/steps of quantities of flexibility services delivered will need to be agreed and defined robustly, to avoid scenarios where (for example), only integer steps in service levels are supported, and large units are used (i.e. MW). This should make it easier for all FSPs to provide services to the market.

Quick working group updates

Reece Breen Begadon (ON Technical Advisor, ENA)

AOB

Useful Links
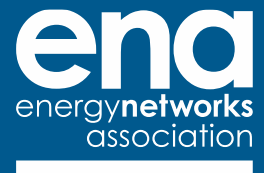
ON 2023 launch document	2023 Detailed work plan	2023 Strategic Roadmap for Flexibility	Stakeholder events

We welcome feedback and your input

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