

# Stakeholder feedback summary

CEM and Tool review with Academics and Critical Friends

1<sup>st</sup> February 2022



## Feedback highlights

### ***Academics***

- Regional planning is more difficult
- Concerns over use of Least Worst Regrets, due to edge case(s) dominating outcome
- Suggested clearer language around option value and mathematical definition
- Limited research on the method for calculating probability of scenarios
- Suggested follow good practice with appropriate expertise and publish logic

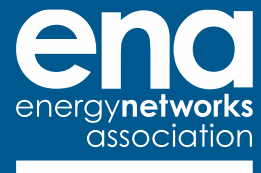
### ***Critical friends***

- Good first step showing additional value derived from uncertainty
- Continue to develop CEM and Tool so as to keep flex value a live topic
- Prefer consultation has real-life examples to aid understanding and impact of methods – recognised this could guide outcome
- Encourage Ofgem and BEIS to share information and participate in consultation
- Want to see additional worked examples published with CEM – cf to specify

## Proposed scope and form of consultation

Due to the complexity of the topic it was agreed:

- Slim consultation document with brief descriptions of approaches and questions only
  - Approval from WS1A by 22 Feb, plus offline approval by Steering Group before 1 March
  - Brief Challenge Group on 24 Feb on consultation process
- Industry wide webinar to talk through approaches to be held 8 March 2022 at 2pm for 1.5hrs:
  - Some questions to be asked in webinar
  - Consultation to be published at same time, closing date on Fri 8 April 2022
- Targeted engagement with flexibility providers in organised industry meeting on 10 March 2022:
  - Attend ADE Flex session
  - Present slides, highlight consultation and ask questions from consultation



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