Common Evaluation Methodology and Tool Webinar

Thursday 8th April 2021

Thank you for joining this webinar.

- This webinar will commence at 1:03pm.

- If you are unable to play the audio through your device, you can **dial in by calling +44 20 3855 5885 and using access code 361 665 652#**

- All microphones have been set to mute to avoid background noise.

- Please ask questions or make comments **via the chat function** throughout the meeting.

- This meeting will be recorded for ENA record keeping purposes, but may be published at a later date, if the recording is publicly published you will be notified in advance

- If you would like to receive information about the Open Networks Project or have any feedback you would like to submit, please get in touch with us at opennetworks@energynetworks.org.

- **Presenters**: Simon Brooke (ENW), Mary Treinen (Baringa Partners), Chris Collins (Baringa Partners)

Agenda

	Topic	Duration	Presenter	Time
1	Welcome & Introduction to CEM and tool – background and context	7 mins	Simon Brooke (ENW)	1:03pm-1:10pm
2	Run through of tool – worked example and Q&A	45 mins	Chris Collins (Baringa Partners)	1:10pm-1:55pm
3	Q & A Session	30 mins	Chris Collins, Mary Treinen, Simon Brooke	1:55pm-2:25pm
4	Closing remarks	5 mins	Simon Brooke	2:25pm-2:30pm

The voice of the networks

WS1A - Product 1 Common Evaluation Methodology and Tool

Introduction by Simon Brooke – ENW

Looking back…

- In 2020 Workstream 1A (Flexibility Services) Product 1 set out to deliver a common evaluation methodology and tool for DNOs to assess flexible vs non-flexible options to meet network needs

- Baringa was commissioned to deliver the common evaluation methodology and tool

- Baringa and Product team developed a proposed methodology

- Proposed methodology was extensively consulted on with engagements with Open Networks' Advisory Group, Ofgem and in Flexibility Consultation in summer 2020

- On 31 December 2020 the baseline Common Evaluation Methodology and Tool were published on the ENA Open Networks website, along with User Guide, a number of Use Cases and a 'How to use video'

**Scope**

a) Review existing DNO approaches to choosing between ANM vs Flexibility vs Reinforcement to understand pros/cons.
b) Develop common decision making methodology for DNOs, taking and reflecting input from stakeholders.
c) Develop a common flexibility valuation analysis methodology by:
   - Gathering and assessing current practice (both in GB and internationally) for valuing flexibility
   - Considering current practice and propose common valuation methodology for flexibility
   - Developing a common valuation methodology (including a common tool)
   - Confirming future governance

(Note, this Flexibility valuation work is planned to align methodology and process and not the values themselves.)

What is the Common Evaluation Methodology and Tool?

- A common methodology for DNOs to assess flexible vs non-flexible options to meet network needs

- Created primarily to evaluate deferring traditional reinforcement by purchasing flexibility the tool can be used to evaluate a range of non-flexible options eg energy efficiency and Active Network Management solutions

- The CEM Tool is an Microsoft Excel model based upon the Ofgem ED1 CBA
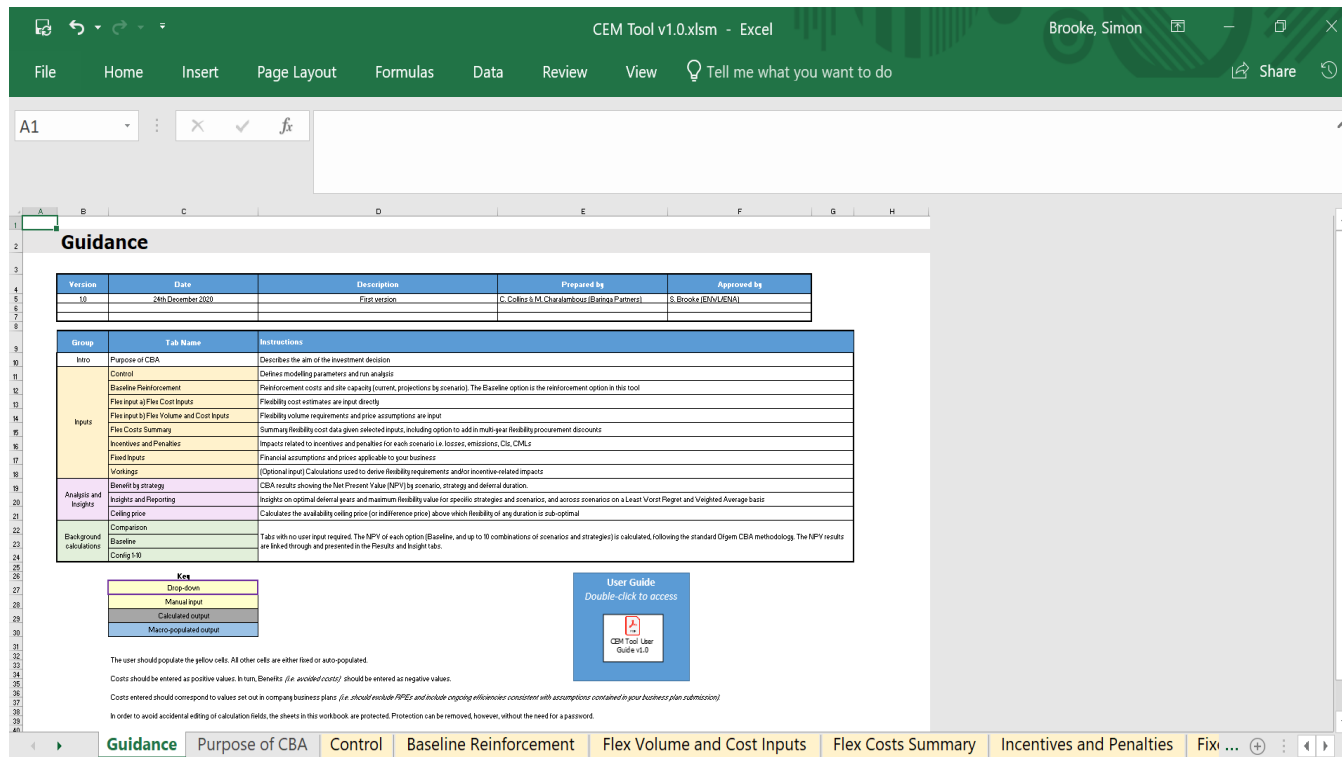
- DNOs use the tool to evaluate the costs and benefits of the selected options

- Tool allows the user to test different flexibility strategies under different load scenarios eg DFES, FES etc

- Provides insights to enable the user to make the decision under uncertain load scenarios

Looking forward…

31 MARCH 2021

ENA standardises approach to flexibility for GB distribution network operators

- In 2021 we will put the Common Evaluation Methodology and Tool under open governance within Open Networks Project and set up a User Forum for the ongoing development of the methodology and tool

- In March 2021 we shared with the Advisory Group an outline of the open governance arrangements

- From 1 April 2021 all DNOs will use the new Common Evaluation Methodology Tool to evaluate flexibility – see full press release here.

- In May 2021 we will share the Terms of Reference for the User Forum with Advisory Group and seek feedback; seeking nominations for the User Forum in mid to late spring 2021

- In July 2021 we hold the first User Forum and agree the development work for the methodology and tool for 2021
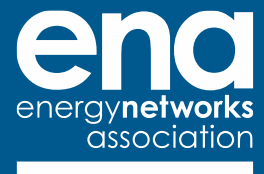
CEM and Tool Worked Example Run Through

Chris Collins – Baringa Partners

Q & A Session …

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