



Sent by email to opennetworks@energynetworks.org

Energy Networks Association

4 More London Riverside

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Dear Sir/Madam,

Gemserv welcomes the opportunity to respond to this *Open Networks Project Flexibility Consultation*. Overall, we broadly agree with the propositions brought forwards by the ENA and encourage the progress in making a transparent and flexible market.

Our response focuses on the need for granular data to be provided in order to make energy networks transparent. If there is a collective increase in the data administered by the government, energy providers, DNOs, and DSOs, there can be a higher quality outputted, which can be analysed and give greater insights to network flexibility. There also needs to be a better understanding of asset and service capabilities to ensure that the networks are not only flexible, but also secure and sustainable.

We support the need for non-traditional energy market participants to become engaged in providing feedback to the ENA in the future. There is opportunity for partnerships between technology-based companies and energy industry experts to share their views through this consultation process. The infrastructure for receiving feedback may need to become digitalised in order to increase this uptake and analyse the data that is gathered.

A summary of our key points are:

- In order to achieve the transparency of networks, the granularity of data needs to be enhanced to give more meaningful outputs
- There needs to be timely visibility and access to market data in order to enable a real-time dispatch from participants
- To encourage future participation, entire platforms must be fully digitalised, to not only increase the engagement rate, but to also analyse the data provided

Please do not hesitate to contact us if we can support you in your work, share our thoughts and ideas and answer any questions you may have with regards to our response.

Yours sincerely,

James Robinson

Strategy Analyst

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OPEN NETWORKS PROJECT FLEXIBILITY CONSULTATION

1. *Do you agree with these six steps and if not, please provide us with any rationale?*

Gemserv generally agrees with the six step outlines.

2. *Are there any steps that you believe are missing or any element of these steps that are not covered by the Open Networks Project developments and products?*

Gemserv welcomes the aim of creating a flexible and transparent market which is pointed out in the five steps. In order to create *transparency*, the necessary data must be provided. In the future, different players will need to openly provide their network market data (e.g. Providers and DSOs) to allow the granular level of detail needed in a dynamic network system. If this data is provided and fed into a sophisticated platform, automated findings can then grant trading opportunities for qualified providers for instance. This transparency is therefore dependant on the data given to provide insight.

3. *Which elements do you believe should be prioritised and are there any suggestions to amend our workplan as a consequence?*

As emphasised in question 2, delivering *transparency* is reliant upon the data provided and how the data is analysed.

4. *Do you agree with these six principles underpinned by simplicity and if not, please provide us with any rationale?*

Overall, structuring around simplicity is a sound approach, alas there is of course complex needs an energy system is reliant upon. It must be remembered that although simplicity should be provided when there is opportunity, oversimplicity can fail to deliver its purpose.

5. *Are there any other principles that you believe we need to encourage more participation in flexibility?*

Gemserv broadly agrees with the principles outlined in the document, although we would stress the uptake of functional service provision would be significantly improved through quicker visibility of market data, and access to data, to enable real-time dispatch from participants. This could be provided using an AI platform that effectively automates the function and makes the aggregated services available to the DSO. Alternatively, the platform could provide visibility, and accessibility, on a granular level to the DSO to procure as services are required to balance the network. Either way, the administration and operation of such a platform in a local electricity market context would need to be carefully considered. This would be



to ensure interoperability with all technologies operating in the flexibility market, as well as sensitivity and compliance to the nature of the two-way data that would need to be accessed, exchanged and stored in order to provide the functionality of such a service. In addition, an appropriate accreditation scheme would be necessary to ensure all participants are qualified and administered; this would be a core principal to incentivise and encourage adequate participation in flexibility.

6. *Is there anything in these principles that you think would compromise your ability to participate or should these principles be applied differently from the way set out in our paper?*

Please see question 5 response.

7. *We will apply these principles to all of our future development work- do you believe that there are any elements that are not covered by Open Networks Project developments or elements that should be prioritised?*

Please see question 5 response.

8. *Do you agree with the learning and 'good practice' highlighted in the report and can you provide any suggestions for any additional points to be considered and/or steps to implementation?*

Gemserv agrees with the learning and 'good practice' in the report, however, there needs to be more granularity in the future. An example here is the 'hourly' reporting under point '1.2 Service Development' is significantly too large. To give the relevant outputs in the future, there should be a focus to give concise timings by the minute. If more detail is provided in the future, a higher level of analysis can be conducted to make the energy network flexible, secure and sustainable.

9. *What would be your preferred mechanism for engaging with DNOs for specific DSO service design activities and/or procurement events?*

The listed mechanisms for engaging with DNO's are appropriate.

10. *In addition to the data set out in Appendix 2, what extra information might DER or market platforms require to support their involvement in the procurement of DSO services?*

To improve the efficacy of DER or market platform, having access to data such as state of service, state of charge, power rating, capacity, dispatch readiness level, response time, ramp-up / ramp-down time etc. is paramount on the availability side. However, having more sophisticated dynamic dispatch models would



make better use of predicting how the aggregated flexibility capabilities could be used. As an example, the command to prepare some of the services or assets that need forewarning to be in a state of readiness could be done through weather data. This would be in much the same way as the New York emergency services uses weather data to locate emergency vehicles during certain weather conditions based on known phenomenon of crime or accidents. The same could be done to assume conditions of frequency control in renewable rich areas in using the platform to prepare the flexibility services more appropriately. This could be built into the platform functionality so it could be developed further in time.

11. Do you agree with our Next Steps and the development approach to standardise contract terms and conditions set out in DSO Services Commercial Arrangements- Product 4 and do you have any suggestions to improve our proposed developments?

Gemserv broadly agrees with the next steps and the development approach. It is worth stressing the importance of an independent review prior to this. Standardising the terms and conditions must be noted to capture the experience from new market entrants.

12. Do you have any feedback and comments on our Recommendations for Good Practice Adoption in Product 4?

Gemserv has the expertise and experience across the energy, data, healthcare and public sectors in hosting discussion sessions to drive progressive thinking between diverse stakeholders. We host many industry meetings through the existing contracts we manage, for instance, the Master Registration Agreement (MRA). Further to this but we also host Innovation Forums including the Future Energy Governance workshops that drives forward thinking and discusses predicted challenges.

13. What new markets do you think we should consider as part of this work and do you have any proposed changes to the scope and nature of our development work to encourage flexibility market participation?

Gemserv has nearly two decades experience of being an integral part of the UK energy sector and believes the future development of new markets can be successfully done through collaborations with technology providers, local markets, and DNO/DSO companies in order to support the transition. We are committed to work with these demonstration projects, with our knowledge and capabilities through collaboration with industry, and are actively working with innovative stakeholders in this space including Swanbarton, who we support in their technology and market development vision.



14. Do you have any ideas on how we might better engage and encourage feedback and input from non-traditional energy market participants?

To better engage and encourage feedback inputs from non-traditional energy market participants, the entire platform must be digitalised and developed in order to encourage contribution. There is recognition for needing improved cross-discipline input, visibility, and analysis in the innovation space, for example, by the Energy Systems Catapult which is driven by the BEIS Energy Data Taskforce. The data gathered through this can be analysed, enhanced, and reviewed to give meaningful outputs. We can offer advice on developing this platform in order to encourage greater feedback.