

Decision

Decision on changing the definition of Energy Systems Data in Data Best Practice

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This document sets out our decision to make a change to the definition of Energy System Data in Data Best Practice (DBP) Guidance, which will be reflected in a change to the Data Best Practice Supporting Information following our consultation published on 22 April 2024¹.

This decision will align the definition of Energy System Data with the new legislation brought in by, or by virtue of, the Energy Act 2023 that creates new licencing frameworks of which conditions to comply with DBP Guidance are expected to be added. This decision lays the groundwork for the proposed expansion of DBP Guidance to other licensees in the sector, which will be formally consulted on, when appropriate.

We have completed our consultation on the proposed change to the definition of Energy System Data in DBP Guidance and reviewed the responses. Nine responses were received, which broadly supported the change in definition with minor changes suggested, which this document details.

In addition, we received several requests for further consultation regarding future expansion to other bodies within the energy sector. We have always consulted with industry before any DBP Guidance expansion and, where appropriate and applicable, will consult with the entities affected before expansion to any part of the industry. However, this decision is outside of the

¹ supporting information will be updated accordingly.

scope of those entities that requested further consultation. This decision document provides a summary of the consultation responses received and our response to them, including the rationale for the changes in the definition of Energy System Data.

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Executive Summary

Data Best Practice (DBP) Guidance is Ofgem’s primary tool for surfacing, sharing, and making interoperable, data held by various energy sector actors. DBP Guidance also ensures data is treated as an asset and is used effectively for the benefit of consumers, stakeholders, and the public interest. DBP Guidance is a system- and sector-agnostic set of principles that have been applied effectively to network licensees. The decentralised, digitalised, data-driven energy sector we envision on the path to net zero requires standardisation of data, a culture of understanding the value of data and increasing interoperability to realise that value fully.

We aim to expand these principles to encompass as much of the energy sector as possible to maximise the value of data across the industry through visibility, interoperability, and efficiency. To expand DBP Guidance to other licensees in this way, we must ensure that the definitions within DBP Guidance capture the full spectrum of organisations in the sector and the legislation from which their licenses originate.

We have decided to change the definition of Energy System Data within DBP Guidance as:²

‘All Data Assets for which an entity is a Data Custodian as a consequence of it exercising its rights and obligations under a licence granted under Section 6 or Section 56FBA of the Electricity Act 1989, or Sections 7, 7ZA, 7A, 7AA, 7AB or 7AC of the Gas Act 1986; or under Section 7(1) of the Energy Act 2023, or by exercising rights and obligations under regulations enacted by Section 219 and Schedule 18 of the Energy Act 2023’.

This will set the groundwork by expanding and clarifying how we define Energy System Data in light of the changes coming into force through the Energy Act 2023. In addition, we are making small textual changes to reflect the change to the National Energy System Operator (NESO) as the designated Independent Systems Operator and Planner (ISOP), with effect from 1 October 2024.³

This change is intended to prepare for the proposed expansion of DBP Guidance to cover more of the energy sector. It is a change Ofgem must make to be able to ensure industry code managers, Carbon Dioxide Transport and Storage Companies under Carbon Capture, Usage and Storage (CCUS), Heat Networks, Smart Secure Electricity Systems (SSES) ‘load

² which will also be reflected in the DBP Guidance Supporting Information document

³ [Decision notice to establish National Energy System Operator \(NESO\) | Ofgem](#)

controllers' -once these are all regulated - and Smart Meter Communication Licensees are required to follow DBP Guidance.

For clarity, this change does not create any new obligation on any party and does not affect currently obligated parties. Rather, the definition change is to make clear our direction of travel to industry as transparently as possible and prepare for future consultation in the code sector in the short term.

1. Introduction

Context and related publications

- 1.1 We consulted on changing the definition of Energy System Data in DBP Guidance. The consultation will also be reflected in the DBP Guidance Supporting Information document. The change is intended to lay the groundwork for and support the proposed expansion of DBP Guidance to cover more of the energy sector. It is a change Ofgem must make to be able to ensure that the data generated by industry codes, Carbon Capture, Usage and Storage (CCUS), Heat Network, Smart Secure Electricity Systems (SSES) 'load controller' - once these are all regulated -and Smart Meter Communication Licensees under their respective licences are captured by the text of DBP Guidance.
- 1.2 Those parties whose datasets are intended to be captured by the proposed definition change are as follows:
 - Carbon Capture, Usage, and Storage (CCUS) – are intended to be licenced under section 7(1) of the Energy Act 2023
 - Industry Codes –Code Managers are intended to be created and licensed under section 6(1)(g) of the Electricity Act 1989 and section 7AC of the Gas Act 1986.
 - National Energy System Operator (NESO) – is designated as the Independent System Operator and Planner (ISOP) and holds an Electricity System Operator licence under section 6(1) (da) of the Electricity Act 1989 and a Gas System Planner licence under section 7AA of the Gas Act 1986
 - Heat Networks (HN) are not licensed but regulated. The definition of 'relevant Heat Network' can be found in section 216 of the Energy Act 2023.
 - Smart Secure Electricity Systems (SSES) 'load controllers' – these are intended to become licensable activities under section 56FBA of the Electricity Act 1989 and regulations made under this provision.
- 1.3 Those parties whose datasets are already captured by the definition of Energy System Data are as follows:
 - Gas Suppliers – licensed under section 7A of the Gas Act 1986
 - Electricity Suppliers – licensed under section 6(1)(d) of the Electricity Act 1989
 - Electricity Generators – licensed under section 6(1)(a) of the Electricity Act 1989
 - Gas Shippers – licensed under section 7A of the Gas Act 1986

- Smart Meter Communication Licence – licensed under section 6(1)(f) of the Electricity Act 1989 and section 7AB of the Gas Act 1986
- 1.4 We received nine responses with an average of five approvals for all questions, two caveated approvals or no comments offered, and only two disagreements. Those two entities who disagreed with the consultation suggested that compliance with DBP Guidance should not be a part of their licence obligations. Ofgem will engage these respondents to help them understand the importance of DBP Guidance in the energy sector and will continue to work with them to manage the implementation of DBP Guidance.
- 1.5 Responses from a number of parties sounded a note of caution about differing levels of maturity in data systems, approaches to open data, and leadership in the area of data across current and future licensees. This decision proposed the formation of Cross Code Digitalisation Steering Group (CCDSG) to bring energy codes to a similar level of digital maturity. In this group, through its monthly meetings, it is hoped that members will be clearer on the DBP Guidance principles while sharing and gaining more insight into DBP Guidance and sharing good practices⁴.
- 1.6 Our decision should be seen in a wider context of ‘whole system’ transformation. The changes to DBP Guidance should be seen as establishing the building blocks required to support energy sector participants in developing the necessary tools and processes to facilitate interoperability and frictionless sharing of Energy System Data. These tools and processes should underpin and allow companies to connect to sector-wide digital infrastructure including the Data Sharing Infrastructure⁵.

Our decision-making process

- 1.7 We consulted from 22 April 2024 to 13 June 2024 and sought stakeholders' views on six questions. We received nine responses to the consultation and have considered all those responses in arriving at our decision. Stakeholders' non- confidential responses to the consultation have been published on our website alongside this decision ⁶.
- 1.8 Below, we have set out each question, reflected on the contributions which stakeholders made in their responses, and addressed each theme with our decision and position.

⁴ [Open Letter regarding Data Best Practice and its future in Codes | Ofgem](#)

⁵ [Governance of the Data Sharing Infrastructure | Ofgem](#)

⁶ [Decision on definition of energy system data in data best practice guidance | Ofgem](#)

- 1.9 In addition to the guidance documents, we have also provided an Associated Direction document to assist licensees with a list of organisations that will be affected by this change in definition.

Your feedback

1.10 We believe that consultation is at the heart of good policy development. We are keen to receive your comments about this report. We'd also like to get your answers to these questions:

1. Do you have any comments about the overall quality of this document?
2. Do you have any comments about its tone and content?
3. Was it easy to read and understand? Or could it have been better written?
4. Are its conclusions balanced?
5. Did it make reasoned recommendations?
6. Do you have any suggestions for improvements to the Guidance documents?
7. Any further comments?

General feedback

Please send any general feedback comments to digitalisation@ofgem.gov.uk

2. Proposed Change and Clarification

Section summary

This section sets out Ofgem's understanding of the requirement for change and the proposed wording of said definition change.

This section reviews the responses to our proposed change in the definition of Energy System Data and how it will impact participants. The intended outcome is to expand the definition of Energy System Data in DBP Guidance to cover the datasets generated by the entities described above and ensure the text is in line with Ofgem's new powers under the Energy Act 2023.

Questions 1 to 3 and Decisions Reached

Question 1:

Do you have a view on the perceived necessity for this change? Are there any factors which you feel were not considered?

2.1. We received nine responses to this question, with two respondents objecting to the change and two accepting with a caveat (namely that Ofgem should provide a comprehensive list of Energy Data and conduct a retrospective review to assess what aspects of DBP Guidance have been effective and what areas could be improved. This is addressed in paragraphs 3.6 and 4.2). The majority of stakeholders were supportive of the change in the definition of Energy System Data.

2.2. We have grouped responses into key themes, which are outlined below, with sub-bullets representing the range of views or questions on that theme. Support for the proposed changes to the definition of Energy System Data and the inclusion of wider energy sector participants other than network licensees is as follows.

2.3. In welcoming the changes, one respondent said: "We agree with the necessity for the change and believe that to meet our net zero goal, collectively as an industry, we must increase interoperability, use a common language, and standardise data. Therefore, broadening the scope of who this applies while signalling an intent to make these an obligation is a step in the right direction."

2.4. Another respondent said: "We broadly support the concept of Open Data and the benefits it can deliver for the energy system and consumers".

2.5. A respondent supporting DBP Guidance and its benefit from voluntarily abiding by the principles stated: "Overall, we are committed to data standards, information asset management, and the ethical and appropriate use of data".

2.6. Another respondent said: "We recognise the importance of Data Best Practice (DBP) and how it has laid the foundation for network companies to use and share their data for the greater good." Another theme raised was that change is required to align with the Energy Act 2023. One respondent stated, "The change is required to align with the 2023 Energy Act and include new activities introduced in the 2023 Energy Act, and amendments to the 1989 Electricity Act and 1986 Gas Act. It expands the current definition to include Code Manager functions, Load control of Smart Energy Assets, Carbon capture, Usage and storage, Heat Networks, and Gas system planning – all of which seem sensible".

2.7. Two respondents did not answer this question directly but objected to the proposed definition change and do not wish for inclusion of DBP Guidance as part of their licence conditions under new licences that Ofgem will regulate under its new powers set out in the Energy Act 2023. Ofgem will engage with respondents to enable them to understand how important it is for DBP to be a consistent obligation in the sector. This engagement will form part of ongoing discussions regarding licence condition frameworks and how we intend for DBP to be applied in bespoke ways for each group of licensees depending on their circumstances.

Question 2:

Do you agree that the proposed change to the legal text will address the issue raised?

2.8. There were nine responses to this question. Most responses (seven) were broadly happy with the proposed change to the legal text and agreed that it would help expand DBP Guidance to the energy sector. They made no specific wording suggestions, although one did raise a suggestion for further explanation of the legal text on the definition of Data Custodian.

2.9. Our view on the potential for overlap or conflict with existing legislation with regards to classifications, such as Data Controller versus Data Custodian, is that they are intentionally distinct from UK GDPR classifications as the roles are sufficiently distinct, and the same naming convention would cause confusion. The distinctions are covered in the definitions page of DBP Guidance and DBP Supporting Information. We are not proposing to change the definition of Data Custodian within the DBP Guidance

at this time. We shall directly engage the respondent to further clarify their concerns on the term.

2.10. The two respondents that objected to the proposed definition change do not wish for compliance with DBP Guidance to be a licence obligation under new licences that Ofgem will regulate under its new powers set out in the Energy Act 2023. However, Ofgem will engage with the respondents to enable them to understand how important it is for DBP to be a consistent obligation in the sector. This engagement will form part of ongoing discussions regarding licence condition frameworks and how we intend for DBP to be applied in bespoke ways for each group of licensees depending on their circumstances.

Question 3:

Are there any aspects to this change-or the proposed wording- which you feel merit further consideration in this consultation?

2.11. There were nine responses to this question. Five respondents were happy with the proposed wording, two had reservations which are detailed below, and two objected to all aspects of the change.

2.12. A suggestion brought up by a respondent was that the decision should deal with how any further changes to the definition will be done and how parties will be notified of subsequent changes. One respondent said: "A definition that changes frequently may create confusion amongst relevant stakeholders. We suggest additional legal advice is taken to future proof the definition from minor amendments to the Acts and Sections referenced". Please see paragraph 2.21 for our response to this.

2.13. Another area where respondents had suggestions regarding the proposed wording is the legal definition of Energy System Data. One respondent stated, "The legal definition of Energy System Data is broad. Specifically, from our perspective as an Energy Supplier, it isn't clear what this will mean in practice". The respondent suggested further engagement with stakeholders to clarify the meaning. Please see paragraph 2.20 for our response to this.

2.14. Another said: "We believe a further consideration of the definition of Data Custodian would be useful to remove any ambiguity around who can process and/or publish Energy System Data."

2.15. The two respondents that objected to the proposed definition change did not specifically answer this question. However, the entities do not wish for compliance with DBP Guidance to be a licence obligation under new licences that Ofgem will regulate under its new powers set out in the Energy Act 2023. As stated in response to other questions above, Ofgem will engage with the respondents to enable them to understand how important it is for DBP to be a consistent obligation in the sector. This engagement will form part of ongoing discussions regarding licence condition frameworks and how we intend for DBP Guidance to be applied in bespoke ways for each group of licensees depending on their circumstances.

Decisions Reached

2.16. Ofgem has decided to change the definition of Energy System Data within Data Best Practice (DBP) Guidance, with minor change changes proposed to the wording put forward in the consultation. As a reminder, we have included these wordings:

2.17. 'All Data Assets for which an entity is a Data Custodian as a consequence of it exercising its rights and obligations under a licence granted under Section 6 or Section 56FBA of the Electricity Act 1989, or Sections 7, 7ZA, 7A, 7AA, 7AB or 7AC of the Gas Act 1986; or under Section 7(1) of the Energy Act 2023, or by exercising rights and obligations under regulations enacted by Section 219 and Schedule 18 of the Energy Act 2023'.

2.18. From the overall approval of this change, we take the position that the change to the definition of Energy System Data will align the DBP Guidance with the changes to regulated entities put forward in the Energy Act 2023. We have changed the wording of the definition of Energy System Data to encompass data generated under the new licence regimes which Ofgem is developing as detailed in the Energy Act 2023.

2.19. As discussed in paragraph 2.14, the roles of Data Custodian versus Data Controller are distinct in nature, and this distinction is explained in DBP Supporting Information in the definitions on pages 8 and 9⁷. We are not proposing to change the definition of Data Custodian within the DBP Guidance at this time. We shall engage the respondent through stakeholders meeting to further clarify their concerns on the term.

⁷ [Decision on definition of energy system data in data best practice guidance | Ofgem](#)

2.20. Regarding the broadness of the definition of Energy System Data, this has remained unchanged since 2021, when the DBP Guidance was first consulted on and set as a licence condition for network licensees. This definition was intentionally broad to encompass all data except some operational data (like payroll, etc.) gathered by licensed entities at the time. The definition of Energy System Data covers all data gathered by all licenced activities, as part of the participation in the regulated energy sector. This was intended to 'future-proof' any potential expansion in order to prevent having to change and expand the definition more frequently.

2.21. With regards the cadence and frequency of change, this consultation represents the only proposed change to definitions in the DBP Guidance since its inception, and was necessitated by primary legislation, namely the Energy Act 2023. This consultation has been designed to cover all changes resulting from this act, rather than a series of minor amendments following each new licence regime.

2.22. This consultation does not apply to Suppliers. The original definition of Energy System Data encapsulated datasets generated by activities under Supply Licences, however, there is currently no obligation on Suppliers to follow DBP Guidance. Ofgem will consult with Suppliers or any other entity in the sector before creating a licence obligation to follow DBP Guidance. Regarding this consultation, Ofgem will address any concerns raised by stakeholders from Energy Codes in the recently formed Cross Code Steering Group.

3. How this change affects licenced entities

Section summary

This section sets out Ofgem's understanding of the requirement for change and the proposed wording of said definition change.

This section explains our proposed changes to the definition of Energy System Data to widen it to capture business-as-usual activities for energy sector participants other than network licensees and provide a clear difference between data gathered in the course of business-as-usual activities relating obligated licensees, while excluding any data relating to the operation of the business, such as payroll or personnel details.

Questions 4 to 6 and Decisions Reached

Question 4:

As an obligated party – Network company – are there any effects this definition change will have that you can foresee?

3.1. There were nine responses to this question; four respondents stated that the change in definition would have no current or foreseeable effect on their organisation. Three noted that the change is not applicable to their operations; however, they are generally happy with the definition change of Energy System Data to ensure the expansion of DBP Guidance to the energy industry.

3.2. Two respondents stated it will impact them. However, they did not expressly answer the question and are not network companies. These are the same respondents who stated that they do not want DBP Guidance to be a part of their licence condition as it will affect their operations and licensing. To address this, Ofgem proposes to engage bilaterally to discuss their concerns immediately following this decision.

3.3. We have considered the responses and the success of DBP Guidance with the networks, and we shall continue with the definition change to ensure DBP Guidance is expanded to the Energy Codes and eventually to the whole energy sector. We shall engage with stakeholders monthly to share learning and good practices to bring every participant up to speed with DBP Guidance. All respondents from the networks stated that they foresee no impact from this change in Energy System Data definition.

Question 5:

As a proposed obligated party- Code Body, Supplier, Generator, Heat Network, Aggregator, Shipper, etc – are you familiar with DBP Guidance?

3.4. There were nine responses to this question, and they were all positive. Of those responding, four respondents have adopted it, including two who voluntarily adopted it in their businesses.

3.5. One respondent who was voluntarily compliant with DBP Guidance stated that they have used some of its key principles in developing their own organisational data access initiative, which has helped competition in the industry- "We have and continue to voluntarily use key principles of the Data Best Practice Guidance through the development of our own data access initiative (Data for Good), in participation in the Modernising Energy Data Applications competition and our data access project to support fuel poverty related projects".

3.6. Another respondent who was voluntarily compliant with DBP Guidance suggested a retrospective review to assess what aspects of DBP Guidance have been effective and what areas could be improved: "Network companies have been required to adhere to DBP Guidance for the past three years, and this has proven successful. We propose a retrospective review to assess what aspects have been effective and what areas could be improved. Additionally, considering the rapid evolution of data, it may be beneficial to evaluate whether the guiding principles need updating and if new relevant principles should be introduced. We suggest conducting an ad-hoc review of the principles to ensure their continued relevance, perhaps something Ofgem already does. For instance, determining when certain principles transition from being guiding principles to becoming standard practice, over a phased forward-looking timeline".

3.7. The respondent recommends that Ofgem explore whether, alongside extending DBP Guidance to the proposed obligated parties, there is value in expanding the requirement to publish a Digitalisation Strategy and Action Plan (DSAP) to increase transparency and accountability.

"We recommend that Ofgem explore whether, alongside extending DBP to the earmarked market participants, there is **value in expanding the requirement to publish a Digitalisation Strategy and Action Plan (DSAP)**. We are set to publish our first DSAP in July 2024 and believe there is significant value in doing so, particularly in increasing transparency and accountability".

3.8. Another respondent stated that they know that DBP Guidance exists, but they have not reviewed it in detail, as their activities are currently outside the governance of DBP Guidance.

3.9. Our view is that since all respondents are aware of DBP Guidance and some are abiding by DBP Guidance voluntarily, there is good industry understanding of the value of DBP Guidance in entities who are not currently obliged to follow it. We find this encouraging in terms of our proposed expansion of the obligation. We believe,

from their responses, that those who voluntarily incorporated the principles in their activities did so because of its success within the networks. It has helped the accessibility, discoverability, and interoperability of data for stakeholders and innovators.

3.10. Our view on the suggestion to reassess the effectiveness of DBP Guidance is that Ofgem intends to conduct an analysis of the effective uptake of DBP Guidance after the expansion phase concludes, which is planned for the next 18 months.

3.11. Currently, assessment of the effectiveness of DBP Guidance in the networks space is monitored through internal reviews, and feedback from the Energy Networks Association (ENA). This is also reviewed during Data and Digital Steering Group (DDSG) meetings, where networks share good practices and learning to enable all to get up to speed with innovations. With the Energy Codes, we hope to duplicate the effectiveness of this forum in the Cross Code Digitalisation Steering Group (CCDSG), which we encourage all Energy Codes to have a representative in the proposed group.

3.12. Our view on the suggestion that all participants produce DSAPs to encourage transparency and accountability is that it has heretofore been a requirement alongside the obligation to follow DBP Guidance. However, we are proposing to work with industry to understand the appropriateness of this obligation for smaller entities. We propose to explore this further in any consultations where we obligate companies to follow DBP Guidance.

Question 6:

As a proposed obligated party – Code Body, Supplier, Generator, Heat Network, Aggregator, Shipper, etc – do you expect that your handling of data will be affected by any proposed obligation to follow DBP Guidance?

3.13. We received nine responses to this question; six stated yes, while three stated no. The six respondents who said yes indicated that they were unsure how it would affect them in the future. This is detailed below:

3.14. One respondent suggested that “we recommend setting out how further changes to the definition will be conducted if required and how relevant parties will be notified of subsequent changes”.

3.15. One respondent stated, “It is hard to establish at this stage. It depends on subsequent changes due to this (and other) consultations”.

3.16. Another respondent stated it is unclear what this might mean in practice for suppliers and what data might be included or excluded as the nature of their business will cause them greater exposure to UK GDPR as they deal with a lot of customers'

personal data. They use varying data processing activities in their energy supplier's privacy notices.

3.17. One respondent stated "The requirement to comply with the DBP Guidance will be a significant change which must be properly consulted upon to understand the cost and impact of expanding the obligation to comply with the Guidance to suppliers, shippers, potential future load control licensees and other parties... it would be helpful if a footnote could be added to the DBP Guidance to make it clear that while suppliers and shippers are encompassed by the wide definition of Energy System Data in the DBP Guidance, it does not require us to comply with the contents until a specific Licence requirement is implemented at a future time".

3.18. With regards the commentary around changes to licence conditions and the suggestion of a footnote, the obligation to follow DBP Guidance stems from the relevant licence condition, and we would not make any changes to licence conditions without a full and formal consultation period, taking into account the views of those affected.

Decisions Reached

3.19. Ofgem will consult extensively and engage stakeholders like the Cross Code Digitalisation Steering Group or similar existing Industry Code fora before making a decision that applies to them.

3.20. The definition change we consulted on does not create any obligation for relevant parties to follow DBP Guidance at present. As a definition change, this is preparatory work to better align DBP Guidance with the proposed direction of travel for newly licenced entities.

3.21. The intent of opening this consultation to entities for whom it will not immediately apply is twofold. Firstly, we aim to give as much notice as possible for Ofgem's current thinking and proposed direction of travel. Secondly, we intend to 'prepare the ground' for proposed changes we will be consulting on in future, to prevent any 'regret work' in developing data and digitalisation strategies.

3.22. Prior to any party having the obligation to comply with DBP Guidance put upon them, full and formal consultation will – where appropriate - take place to allow maximum input from regulated parties.

3.23. Those parties whose activities are intended to be captured by the proposed definition change have been listed in the introduction above⁸:

3.24. With regards the handling of data which could have personal information, DBP Guidance has always held that this would not be open data, and unlikely to be shared. The Open Data Triage process as described in pages 56 to 79 of the DBP Guidance Supporting Information which cover this in more detail.⁹ This will help licensees understand their roles as Data Custodians and Data Processors. Ofgem will discuss with stakeholders in the Cross Code Steering Group, and equivalent working groups for other licensees, when we consider that licensees are Data Processors or Data Custodians in for datasets.

⁸ Para 1.1 in Introduction page

⁹ [Track Changes Data Best Practice Supporting Information v2.0 \(ofgem.gov.uk\)](https://www.ofgem.gov.uk/track-changes-data-best-practice-supporting-information-v2.0)

4. Additional points raised by respondents

4.1. A respondent stated “While this is outside the scope of the current consultation, there is a need for a wider data sharing vision, driven by Ofgem and supported by the wider industry. Although DBP Guidance has delivered significant value, it is not a data sharing vision in itself. Such a vision would provide market participants with clarity on the intended direction and show how various initiatives in the data and digital space contribute to this overall vision”.

4.2. Another respondent suggested, as mentioned in paragraphs 2.1 and 3.6, that Ofgem should assess the effectiveness of DBP Guidance through a review process.

4.3. Another respondent recommended that “To ensure the sector is clear which data is in scope and business operations data, such as payroll, remains excluded, we recommend Ofgem provide a non-exhaustive list of datasets believed to be covered by the definition in the supporting information document”.

4.4. We agree with the first view, that there is a need for a wider data sharing vision. Whilst this information is communicated through the Energy Digitalisation Strategy¹⁰ and our response to the Energy Digitalisation Taskforce¹¹, with the expansion of the DBP Guidance obligation we see the need to refresh this vision. Currently, consolidation work is ongoing with a number of stakeholders to refresh a unified vision for how data is shared in the energy sector and beyond.

4.5. With regards the review of the progress and effectiveness of DBP Guidance and its adoption, we agree with this, and commit to conduct a review of the deployment of DBP Guidance once the expansion phase is completed, and coverage of the energy sector is closer to fully comprehensive. We anticipate that the expansion work will conclude in the next 18 months and then a DBP Guidance review will begin thereafter.

4.6. During the initial design of the DBP Guidance and Supporting Information, we considered generating lists of exemplar datasets which would or would not fall under the definitions of Energy System Data. The policy choice was taken not to produce such a list as even a non-exhaustive list would require near constant maintenance,

¹⁰ [Digitalising our energy system for net zero: strategy and action plan 2021 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

¹¹ [Energy Digitalisation Taskforce report: joint response by BEIS, Ofgem and Innovate UK - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

requests for clarification would require further resource, and the fundamental flexibility of principle-based regulation would be lost.

4.7. Given the increase in complexity and detail across Energy System Data since that decision and the successes within networks – albeit with guidance and development of triage processes in the interim – we propose to continue with this approach, rather than attempt to scope and list the totality of datasets potentially in use in the energy sector.

5. Conclusion and Next Steps

5.1. Ofgem has decided to change the definition of Energy System Data within DBP Guidance, with minor changes proposed to the wording put forward in the consultation. This will set the groundwork for an expansion of DBP Guidance to other licensees by clarifying how we define Energy System Data in light of the changes coming into force through the Energy Act 2023. This decision means the new definition of Energy System Data is as follows:

'All Data Assets for which an entity is a Data Custodian as a consequence of it exercising its rights and obligations under a licence granted under Section 6 or Section 56FBA of the Electricity Act 1989, or Sections 7, 7ZA, 7A, 7AA, 7AB or 7AC of the Gas Act 1986; or under Section 7(1) of the Energy Act 2023, or by exercising rights and obligations under regulations enacted by Section 219 and Schedule 18 of the Energy Act 2023'.

5.2. This change does not create any new obligations on network licensees – who are currently obliged to follow DBP Guidance by their licence conditions – nor does it generate any new obligation incumbent upon any entity through changes to licence conditions. We have worked with multiple industry fora in improving triage processes and are always willing to engage with interested parties to discuss a cohesive approach to Energy System Data.

5.3. We will be consulting on the expansion of Data Best Practice to the Industry Codes in the interim. With regards the other entities in the progress of becoming licensees, or otherwise regulated, following the Energy Act 2023, namely Carbon Capture, Usage, and Storage (CCUS), Heat Network, Smart Secure Electricity Systems (SSES) 'load controllers', we will discuss the implementation of any obligation to follow DBP Guidance as part of their licence conditions. This expansion will be signposted nearer the time and to both the intended areas of expansion, and currently obligated parties, who will be fully engaged with and duly consulted prior to changes.

5.4. We do not foresee the DBP Guidance and Supporting Information documents as an individual and single piece of regulation but living documents that will evolve to meet the changing needs of the energy sector's data demands, as well as interact with non-sector data spaces, as the UK's understanding, and exploitation of data becomes more advanced. However, we know the risk of 'moving the goalposts' too often, especially as DBP Guidance is an obligation under licence conditions.

5.5. Finally, to reflect the change from Energy System Operator to National Energy System Operator, we have made minor changes to DBP Guidance and Supporting Information to reflect this change of role.

5.6. We do intend to review the progress and effectiveness of DBP Guidance and its adoption by conducting a review of the deployment of DBP Guidance once the expansion phase is completed, and coverage of the energy sector is closer to fully comprehensive.

If you have any questions regarding the DBP Guidance or its development, please contact digitalisation@ofgem.gov.uk

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Appendix 1 - Page headings where changes made in DBP Guidance and Supporting information

A1.1 The two documents changed by this change to the definition of Energy System Data are the Data Best Practice Guidance¹² and Data Best Practice Supporting Information¹³.

A1.2 The changes decided herein create v3.0 of each of these documents and are documented in the Document Version Control box out on page 2 of Data Best Practice Guidance and page 3 of Data Best Practice Supporting Information.

A1.3 The changes decided in this document are detailed in the Associated Direction published alongside this decision, and the changes to the documents are highlighted through a 'tracked changes' version v3.0 of both documents, also published alongside this decision. For clarity, this appendix covers that the changes are on page 9 of Data Best Practice Guidance and page 10 of Data Best Practice Supporting Information.

¹² [Decision on definition of energy system data in data best practice guidance | Ofgem](#)

¹³ [Decision on definition of energy system data in data best practice guidance | Ofgem](#)