

# Flexibility Market Asset Registration

## Consultation

### Consultation questions

#### Section 2

Q1. Do you agree that policy intervention is needed to deliver common Flexibility Market Asset Registration?

Not at all, mostly because we do not believe the case has been made for flexibility registration in any compelling way. The main barrier for small-scale energy assets getting into flexibility markets is not data registration – which an aggregator is well set up for and can easily take care of for them – but a) Their size b) isolating their loads on what typically are complex sites c) Metering d) the whole Elexon VLP/AMVLP process which is slow and extremely bureaucratic e) Suitable contract arrangements f) Persuading owners that being involved in flex is more /as important than their day to day business.

Asset integration is a really complex process and actually the registration element is the least of our worries, compared to the other issues set out here. Similarly, the complexity on entering additional flexibility markets isn't about providing registration info (much) but more about the difficulty of dealing with a variety of different market designs and how they dovetail together into a single whole flexibility day, and the extent to which stacking then becomes possible, or not.

Q2. Do you agree that for other FDI outcomes policy intervention is not needed at this stage?  
Are there any risks to consider with this approach to FDI delivery?

Q3. Are there any other policy alignments or industry developments, in the UK or internationally, which should be considered as part of ongoing FDI policy development?

FDI outcomes seems focused on assets, and asset registration at the moment.

It should also be focused on making markets between each more common and homogenised i.e. not on a multitude of platforms when very often they are all (DNOs and ESO) after the same thing e.g. demand turn down or gen turn up. Were they all be competing on the same platform for the flex, we would have a more genuine marketplace instead of several different ones with single buyers of services. So all those 'Commons' from 2.5-2.12 should include and additional one 'common marketplace'. It looks like the Consultation document recognises this at point 2.15.

#### Section 3

Q4. Do you agree with the scope proposed for markets, assets, and data? Should anything else be considered?

Agree totally with the markets in scope and the data in scope. Do not agree with the initial focus on the assets in scope, which are small scale domestic and business assets and these having a prioritised approach because the challenge with these is not so much the registration as trying to integrate them onto whatever flexibility platform you, as an aggregator, are running. This is a

challenge of:

i) Expense: the control boxes, the cost of running the data from such a site, the manpower, make it generally not worthwhile integrating such small sites, given the volume of flex they can deliver

ii) Metering – many such assets are ‘behind the meter’ and don’t have separate metering. Isolating their actions from the rest of the site is therefore impossible.

iii) Where they DO have separate meters, the Elexon VLP /AMVLP settlement process are unduly complicated and burdensome

iv) In many cases where such flex exists, the asset owner isn’t prepared to offer flex as it can disrupt their day to day operations, and contracts are lengthy and complex

V) Such owners have often had a bad experience at the hands of poorly operated aggregators, and thus loss their appetite for involvement

Q5. Do you agree with the functional outcomes? Should anything else be considered?

Yes, no.

Q6. Do you agree with the design principles? Should anything else be considered?

Yes, no.

#### **Section 4**

Q7. Do you agree with the enablers and design activities needed and for the Market Facilitator to coordinate Working Groups for them? If not, what other activities and governance arrangements should be considered?

Yes, they all look good, and we applaud the idea of ‘Market Facilitator’.

We are not convinced that the Elexon should be Market Facilitator as in our opinion their impact, through the VLP/AMVLP process is already hindering flex delivery through its overly bureaucratic and impractical nature.

The Market Facilitator should be an independently constituted body representing both ESO/DSO on one side, and the flexibility provider community on the other, as this is likely to be more agile and inventive in delivering meaningful changes than Elexon. We would like to know more about the mechanisms by which Elexon might be held to account, as mentioned in clause 4.11.

Q8. What are the advantages and disadvantages of the proposed delivery body options for the Flexibility Market Asset Registration digital infrastructure? Are there any additional options that should be considered? Do you agree with the justification for discounting approaches?

The analysis of the % delivery body options is comprehensive. We recognise the shortcomings of options 1-3, are not happy with Elexon as Market Facilitator, as set out above, and also because of their lack of familiarity with ESO/DSO flex markets (which is crucial) so would favour Option 5 – and in option 5, such a body should be representative of both side of the flex community (procurement AND provision). The role COULD be Market facilitator’s – if the MF wasn’t Elexon.

Q9. Do you agree with the timelines proposed? Should anything else be considered?

Yes to the timeline.

## Section 5

Q10. What existing or new policy levers could be used to improve asset visibility?

Policy solutions suggested 5.15 to 5.19 and it should be a requirement of all small-stage installers to ensure they get assets above a certain size on register before it can be granted G98 or G99 approval. Some exemptions should be granted i.e. if the asset cannot deliver any flexibility, it could be required not to register.

Q11. What use cases for asset visibility should be considered as priorities and why?

Not small-scale wind or rooftop solar, as there are no real flex possibilities with them. Logically then it's for any asset that can, in some way, load shift, and there should be some size hurdle rate i.e. prioritise anything that can shift 100kWh potentially.

Q12. What costs, benefits or factors should be considered in a Cost-Benefit Analysis for asset registration solutions? Consideration should be given to: a) the time (in minutes) and resources required to complete current EREC G98, EREC G99 and MCS asset registrations (accounting for any recent process improvements, including ENA's Connect Direct) b) the current rate of duplicative registration processes for assets (e.g. networks and MCS) 44 Consultation – Flexibility Market Asset Registration c) whether any additional asset data (beyond that of the current registration processes) needs to be registered to enable the benefit cases to be realised d) the costs to establish and maintain a register of assets e) the process required to assess suitability in accessing asset data f) what the essential asset registration requirements are to enable the benefit cases to be realised

There is obviously a size element in determining what benefits can be delivered against the cost – hence the answer on prioritisation in Q11.