

20th September 2024

Jeff Finch
UK Government Hub Wales
Ty William Morgan
6-7 Central Square
Cardiff / Caerdydd
CF10 1EP

Dear Jeff:

Northern Gas Networks response to Ofgem Consultation: Governance of the Data Sharing Infrastructure

Thank you for the opportunity to respond to this consultation. Northern Gas Networks (NGN) welcomes the opportunity to provide feedback on the proposed governance of the Data Sharing Infrastructure.

We recognise the importance of the DSI in the secure flow of 'shared data' across the sector, and we wholly support the proposals.

Our response to the questions that you have raised in your consultation are provided in Appendix 1.

We look forward to continuing to work with Ofgem in delivering the benefits of available and standardised energy system data. Should you wish to discuss our response to this consultation in more detail, please do not hesitate to contact me at tpollock@northerngas.co.uk.

Kind Regards



Tom Pollock | Head of Data & Digitalisation
Northern Gas Networks

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Q1. Do you see potential uses for the DSI within your day-to-day operation in the energy sector?

We believe the DSI could have multiple uses, including: -

- Incident management & coordination
- Sharing of PSR data
- Real-Time/Right-Time sharing of HPMIS (High Pressure Metering Information System) data with NESO
- Sharing of pressure or capacity management data with NESO.
- Outputs from the proposed Digital Platform for Leakage Analysis (DPLA) could be shared to inform network management and leakage reduction.
- The DSI could be the platform required to facilitate Consumer Consent.
- To assess/coordinate maintenance work by regional utilities to minimise impact on customers and local authorities.
- To share learnings related to health and safety issues.

Q2. Do you have any comments on the funding mentioned within this section?

We agree with the proposed near-term funding mechanisms. For long-term funding our preference would be for usage-based charging, to incentivise the DSI to remain relevant, and to mitigate the risk of a disproportionate impact on customer bills.

Q3. Do you have any comments on the timeline shown?

The timelines are challenging, given the number of participants and their varying levels of data and technological maturity, but these timelines are commensurate with the urgent need for a DSI. The role of an empowered and experienced Interim DSI Coordinator is therefore of vital importance, as is the quick introduction and adoption of robust but adaptable governance.

Q4. Do you agree with our short-term governance structure model where the Interim DSI Coordinator is responsible for leading the short-term governance (2024 – 2028) of the DSI?

We agree with the short-term governance structure model, and welcome the recognition that governance will need the opportunity to mature as use cases broaden. It is good to see the inclusion of stakeholder advisory groups, although it would be beneficial to understand in a little more detail the role of these groups, and whether the model will be structured in a way that means they can provide a level of oversight as well as advice.

Q5. If not, state your reasons and propose an alternative governance model or improvements to our proposed solution.

n/a

Q6. Are there any additional governance roles that are not covered by the proposed governance model? If so, what are these?

Although not a separate governance role as such, there is a need to incorporate more gas-, or whole-systems-focussed insight into the governance regime. The current discussions around DSI are very electricity-centric (understandably so), and this does introduce a risk that the governance (and standards) being developed will be unsuitable for other types of Energy Data. For example, interoperability is discussed in terms of CIM, which

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is currently not applicable to gas data. Whatever the future of the gas networks, the data that they generate will be of vital importance in the transition to Net Zero, and it is crucial that the DSI facilitates the sharing of that data.

Q7. Do you agree with the responsibilities of the interim DSI Coordinator? Are there any additional responsibilities that it should undertake?

We agree with the responsibilities put forward in the consultation. However, we believe there is the potential for confusion over the implementation of common standards. As stated, the System Operator has obligations under Data Best Practice, but this obligation is shared by transmission and distribution companies. As the DSI scales up, is the arbiter of DBP the DSI Coordinator or Ofgem? There is no concern regarding the System Operator's ability to maintain the correct level of independence/impartiality, however we believe there will be a need to provide strong guardrails around DBP compliance.

Q8. Do the proposed deliverables reflect the outputs that the Interim DSI Coordinator should focus on in the initial DSI stages? Do you suggest any additional deliverables?

We agree with the proposed deliverables, but would suggest that additional deliverables could include a periodic review/report on the benefits achieved following the MVP and subsequent use-cases.

Q9. Do you agree with us that the System Operator is the best option as the Interim DSI Coordinator? If no, explain your reasons and justify your proposed option.

Yes, we agree that the System Operator is the best option.

Q10. What assessment criteria do you foresee being required when transitioning from short-term governance to an enduring governance model?

Proposed assessment criteria would include: -

- Agreed handover process between interim and permanent Coordinator.
- Industry Readiness
- Change Management strategy and action plan.
- A granular road-map of future developments/use-cases, overlaid with proposed/required changes in governance

Q11. What suggestions or feedback do you have for refining these governance assessment criteria to better meet the requirements and challenges of digitalisation in the energy sector?

Governance needs to be the accelerator of digitalisation rather than the brakes. There needs to be a balance between assurance (which is essential) and agility (equally essential), recognising that digitalisation, by its very nature, will change over time. Governance needs to be able to anticipate and adapt to these changes, so we would suggest regular reviews of the assessment criteria throughout the interim stages of coordination.

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