

Work Stream 6 meeting - 26 September 2013

Minutes from meeting of Smart Grid Forum WS6 on Thursday 26 September 2013

From
Date and time of Meeting
Location

Ofgem
26 September 2013
09.20-12.30
Conference Room 1,
9 Millbank

26 September 2013

1. Present

BG	Tabish Khan (TK)
E.On	Tim Newton (TN)
Elexon	Chris Allen (CA)
ENWL	Paul Bircham (PB)
National Grid	Alice Etheridge (AE)
Northern Powergrid	Andrew Spencer (AS)
SPEN	Euan Norris (EN)
SSE	Jenny Rogers (JR)
WPD	Jenny Woodruff (JW)
RenewableUK	Zoltan Zavody (ZZ)
EDF	Andrew Jones (AJ)
Logica	Brian Robinson (BR)
OLEV	Ben Davidson (BD)
Engage Consulting	Andrew Neves (AN)
Electricity Storage Network	Anthony Price (AP)
BEAMA	Yselkla Farmer (YF)
Energy Savings Trust	Jaryn Bradford (JB)
SmartGrid GB	Xander Fare (XF)
UK Demand Response Association (Open Energi)	Joe Warren (JW)
Ofgem	Dora Guzeleva (DG)
Ofgem	Mark Askew (MA)
Ofgem	Jeff Hardy (JH)
Ofgem	Ben Smithers (BSm)
Ofgem	Keavy Larkin (KL)
Ofgem	James Goldsack (JG)
Ofgem	Andrew White (AW)

2. Apologies

Judith Ward, Gavin Jones

3. Minutes from previous meeting

3.1. No comments

4. Updates

4.1. Ofgem gave an update on DCMF MIG working group on delinking of DUoS tariffs. The purpose of the working group is to explore ways of de-linking the time-of-use tariffs offered by DNOs and suppliers. The working group has had one meeting and will meet again soon. MA asked for DNOs present at the MIG group to report back to WS6 on the progress, since many of the options being developed also require the de-linking of ToU tariffs.

Action	Person -By
Provide updates at WS6 meetings on DCMF MIG developments	EN – Ongoing

5. Commercial Customer Matrices

5.1. ZZ reminded the group of the work being done to identify specific DSR services that non-domestic and DG customers can provide. The purpose of the matrices is to highlight where any regulatory, commercial, or technical barriers exist preventing these customers engaging with services offered. The working group responsible for the matrices was due to meet again on 1 October. The next draft of the matrices will be discussed at the next WS6 meeting.

Action	Person-By
Complete the cells of the matrices	ZZ –next meeting

6. Work Plan for Stage 2 - Progress against the Terms of Reference

6.1. Ofgem led a review of Work Stream 6 progress against the next steps in the Terms of Reference. In particular, the DNOs were invited to provide updates on proposed revisions to ER P2/6 and notification of EV charging.

6.2. On ER P2/6, PB informed the group that the ENA working group is at the preferred bidder stage of the tendering process for technical consultancy to support the work required. The working group envisages a 2 year project leading up to a move to P2/7.

6.3. EN noted that the current IET code of best practise for notifying DNOs of EV installation works at current volumes but there could be problems with *ex post* notification at higher volumes of EV installation. There was discussion around how lessons might be drawn from PV registration process. BD commented that OLEV are currently providing financial support most EV installations, which means they have relevant information which could be passed to the DNO. EN commented that it would be good to have a permanent solution which learns the lessons from G83 process. BD said that this could be considered as part of OLEV's policy development.

6.4. Ofgem led the group through a discussion of each of the next steps identified in the August 2012 report and outlined in the terms of reference for the group. Ofgem will update and circulate the table of next steps.

- Work on sending DSR signals has been covered off in Ofgem options paper.
- No additional barriers to use of DSR were identified as arising from new ED1 policies.
- Work on electrical storage is ongoing and will be brought to the group at the next meeting.
- The LCNF and NIC governance documents have been updated to make it clear that demand reduction methods can be explored under these frameworks.
- DNOs are to identify integrated systems that would benefit from trialling.

7. Work Plan for Stage 2 – Group Discussion

7.1. Ofgem led a discussion on the work plan for stage 2. The outstanding work from stage 1 will be to check options against existing policies. Ofgem felt that this would more sensibly be done as part of stage 4, which will look at regulatory and commercial barriers.

7.2. Ofgem asked the group to comment on the grouping of similar options. In particular, Ofgem felt that it would be useful to amend the groupings of options set out in the work plan to better reflect how the options will work and who will lead them. The groups set out in the plan are options where:

- (a) the DNO engages directly with consumer,
- (b) the supplier engages directly with the consumer,
- (c) an aggregator engages directly with consumer, and
- (d) the SO or TO engages directly with consumer.

Ofgem proposed that an additional sub-group be included for options where either the supplier or the DNO could take the lead. TK noted that aggregators would be able to operate across the options. The group agreed that a separate assessment for aggregators is therefore not necessary; the potential role of aggregators can be taken into account in the assessment of each group. PB noted further that 'aggregators' should explicitly include other agents, such as local authorities. PB suggested separating TO and SO, so that the SO grouping could also include DSO activities. DG suggested alternatively that DSO could be included in DNO sub-group because the two will likely match very closely and be hard to separate. It was noted that a definition of DSO would need to be more tightly framed going forward.

7.3. The issue of transparency was raised and discussed. The group agreed that there needs to be a better understanding of the requirements for each option in terms of data, benefits to consumers, communication and control equipment, and payments.

7.4. JH pointed out that ongoing work on DSR options should be mindful of the risk that customers will be required to respond to multiple, potentially conflicting, price signals. AJ also noted that the work in stage 2 will require a common understanding of DSR (does it refer to a real drop in electricity usage or a reduction against a predicted baseline?). DG stated that this was exactly why we need to define further the details of each option.

Action	Person- By
Update the table from the Terms of Reference with links to documents	Ofgem – next meeting
Feedback on how a notification process for DNOs can be built into policy development for EV	BD – next meeting (OLEV)
Share ENW report on benefits to DNOs of energy efficiency	PB – next meeting
Share DECC report on demand reduction	Ofgem – next meeting
Define the details of each option	Ofgem – next meeting

8. Work Plan for Stage 2 – Grouping domestic DSR options

8.1. Ofgem presented a matrix for grouping together domestic DSR options. The matrix matches up the options identified in the options paper with different types of domestic customers based on the physical attributes of their energy consumption, that is, various combinations of LCTs (Solar PV, EV, HP, storage etc.). The matrix has been populated to show which party – supplier, DNO, or both - could engage with the customer for each option. The matrix also shows where options will not be applicable to customers with certain technologies. In addition, the matrix includes a 'control group' of customers. The group agreed that as far as possible all options should be kept open at this stage. Accordingly, Ofgem will update a number of cells in the matrix to reflect where engagement with the customer could be instigated by both suppliers and DNO. In addition, JW will provide a version of the matrix which indicates where an aggregator or other agent would be unable to undertake the engagement with customer. DG suggested that some of the rows in the matrix could be aggregated to ensure the matrix fits on 1 page. She said that it would be helpful if members could think about the regulatory, commercial, and technical barriers to each of the options in the matrix – in a similar way to the non-domestic matrix.

Action	Person- By
Develop domestic customer grouping matrix – to fit on 1 page	Ofgem – next meeting
Mark all the services that cannot be offered by an intermediary	JW – next meeting
Consider the regulatory, commercial and technical barriers to options	All

9. Any other business

9.1. No other business raised

10. Date of next meeting

10.1. 09.30-12.00 11 November 2013