|  |
| --- |
| Work Stream 6 meeting – 28 November 2013 |
| Minutes from meeting of Smart Grid Forum WS6 on Thursday 28 November 2013 | From | Keavy | 09 December 2013 |
| Date and time of Meeting | 28 November, 14:30 – 17:00  |  |
| Location | Ofgem |  |

# Present

|  |  |
| --- | --- |
| BEAMA | Yselkla Farmer (YF) |
| British Gas  | Tabish Khan (TK) |
| EFD | Andrew Jones (AJ) |
| Electralink | Gavin Jones (GJ) |
| Electricity Storage Network | Anthony Price (AP) |
| Elexon | Chris Allen (CA) |
| Engage Consulting | Andrew Neves (AN) |
| Logica | Brian Robinson (BR) |
| Northern Powergrid | Andrew Spencer (AS) |
| Open Energi | Joe Warren (JoW) |
| SmartGrid GB | Rob McNamara (RM) |
| SSE | Jenny Rogers (JR) [telecon] |
| Sustainability First | Judith Ward (JuW) |
| UKPN | Adriana Laguna (AL) |
| Ofgem | Dora Guzeleva (DG) |
| Ofgem | Mark Askew (MA) |
| Ofgem | Keavy Larkin (KL) |
| Ofgem | James Goldsack (JG) |
| Ofgem | Gareth Evans (GE) |
|  |

# Apologies

Nigel Turvey (WPD), Zoltan Zavody (Renewables UK), Craig Dyke (National Grid), Brian Shewan (SSE)

# Review of minutes from last minute

* 1. A correction was made to the minutes regarding the attendance of Jim Cardwell (Northern Powergrid) who was wrongly noted as in attendance.

# Updates

* 1. WS7 update (Gareth Evans)

# GE provided an update on the progress of WS7. The first phase of the project was completed on time. This consisted of a report to the SGF setting out the specification for the study. The SGF approved this. The process to procure the resources to carry out the work is now underway. A briefing workshop will be held on 9 January. This will be open to parties that have expressed an interest in bidding for this work. The next target is to have selected the consultants/academics by the April SGF meeting.

* 1. MIG delinking group (Euan Norris)

This agenda item was carried forward as EN did not attend the meeting.

# Barriers to Domestic Options

* 1. JoW briefed the group on his work updating the Domestic Options Matrix regarding the constraints and barriers to each option. JoW explained that he marked each option that depended on the functionality of the smart metering system as having a technical barrier. AP warned against the “cannibalisation” of value, where the value of DSR could decrease as more customers provide a response as the value of response will decrease. The group agreed to note this in the paper but not the matrix, as it would add a further complication to the matrix.
	2. The group then discussed how the use of colour coding for potential barriers as it is not always clear from this what the barrier is. YF explained that in some cases it is the technology that may determine the response that can be provided. YF took away an action to circulate the paper on the categorisation of customer appliances on the basis of duration types of response they can provide.
	3. JuW queried how this work sits with charging methodology modifications being discussed by the Methodology Issues Group (MIG). DG answered that the MIG is looking at an interim solution and so it is not part of this assessment. JuW raised a concern that it might be difficult to remove an interim solution once it gets entrenched. MA reassured the group that what was being considered is of the lowest cost possible so it shouldn’t be a barrier to future changes. DG reminded the group that EN will provide an update on this at the next meeting.
	4. AS noted that key information may be lost by updating the Domestic Options Matrix according to a colour key representing different barriers. AS took an action to develop a separate matrix to make it easier to express a qualitative description of each barrier. AS also noted that there is no need for the Domestic Options Matrix to reference mandatory options as these could be just another stage of the voluntary options, where necessary. KL took an action to delete the mandatory options that are identical to voluntary options and to add a footnote to the matrix explaining that these mandatory options are only needed if the voluntary options can’t work.
	5. AL commented on the accuracy of DUoS charges in reflecting network costs. She noted that DUoS charges are not really reflective of local constraints and that it can’t be assumed that DNOs can reflect this constraint in a universal DUoS charge. DG noted that some options may rule themselves out. JuW queried whether the aim of these options is to have a charge according to post codes. AN noted that it is inevitable that the network will be stronger in some places. GJ commented that there could be commercial and regulatory barriers to locational signals.

|  |  |
| --- | --- |
| **Action** | **Person –By** |
| To circulate the paper on the categorisation of technologies on the basis of the response they can provide. | YF – next meeting |
| To propose simplification of the options matrix to enable the inclusion of barriers. | AF – 09/12/13 |
| To amend the matrix to delete the mandatory options that are identical to voluntary options and include a footnote explaining this amendment | Ofgem – 09/12/13 |

# Allocation of risk for DG constrained arrangements

This item was carried forwaed as ZZ was not able to attend the meeting.

# Domestic Options Requirements matrix

7.1 MA gave an update to the group on the ongoing work on developing the domestic options requirements matrix. This matrix will be used to develop diagrams depicting the roles and responsibilities for options, and will be placed within the Options paper.

* 1. AN commented that the matrix should be updated to include a column on the negative impacts of options on stakeholders and Ofgem took an action to update the matrix in this respect. MA commented that the existing column could be amended to include all impacts.
	2. On the requirements for an option involving a dual band DUoS charge option, it was agreed that this band could only be offered at peak times. The group noted that there are differences between the distribution system peak and the wider system peak and that there may be further divergence in the future as more wind energy is incorporated. DG pointed out that there will be specific locations on the network where DSR can save reinforcement costs.
	3. JW asked whether DNOs will want to have a mandated option, for instance, for voltage reasons. This control could be in the form of an instant response for certain technologies, for example for EVs, when immediate action is needed. MA noted that because part b) of this option has an override, communications would be needed to keep track of the response. DG noted that there is a question whether this communications system would be the smart meter or something else, possibly needed at the consumer’s premise.
	4. The group then discussed the requirements that would be needed for an option involving a voluntary static tariff. This option could be a joint DNO and supplier tariff. Consumption data would be needed. AJ noted that this tariff could be implemented anywhere where there is a network problem. A communication system would be needed for part b) of this option, automation at premises as a there will need to be sight of how many customers use the override. It was noted that communications system would also be needed for part c) of this option to allow DNOs or Suppliers to remotely control equipment.
	5. On the requirements for an option involving a dynamic and critical tariff, AJ asked the group what the circumstances would be where DNOs might want it in post fault situations. It was noted that part b) of this option, remote automation, would need a communications system. It was also noted that suppliers could also implement remote automation.
	6. On the requirements for an option involving a load limiter, it was noted that suppliers could also implement load limiting. MA commented that customers will need knowledge of when they will be constrained. AJ noted that payment to customers will probably be upfront.
	7. Options that involve demand reduction through information provision and community schemes may need to allow customers to view their consumption or generation to enable them to see their progress towards demand reduction or self-sufficiency.

|  |  |
| --- | --- |
| **Action** | **Person –By** |
| To amend requirements matrix for impacts on stakeholders and circulate to group. | Ofgem – 09/12/13 |
| To circulate updated domestic requirements matrix | Ofgem - 22/11/13 |
| To provide comments on updated domestic requirements matrix | All -22/11/13 |

# Role of a DSO

* 1. JG presented his work discussing the potential stages of a DSO role. DG noted that the role of the DNO could have several guises and that this work aims to capture this.

JG discussed how the DNO could centrally balance generation and demand across the whole network through the use of new commercial agreements with generators, DSR and storage.

* 1. AP asked whether the roles or the SO and DSO overlap. DG noted that DNOs are already acting as SOs as there are various parts of the networks where they play an active role.
	2. JuW noted that it would be helpful to have an overview of the technical interaction of how the DNOs and the SO manage voltage and frequency. JuW asked what frequency control DNOs will need in the future.
	3. GJ queried whether a DSO role was practicable for IDNOs, as they may have trouble leveraging the same solutions as DNOs. MA answered that there should be no problem for IDNOs to offer enhanced monitoring and planning, real time reconfiguration of the network, commercial arrangements to manage faults, active voltage management (on specific areas of network) and permanent active network management (on specific areas of the network). DG raised the question as to whether it was cost efficient for IDNOs to do this. AP gave an example in Germany, where small network operators are capable of doing this. AN stated that DNOs may need some powers to ask IDNOs to do this.
	4. An action was taken by Ofgem to compile a table for DNOs to complete to provide information on the different forms of a DSO role, based on learning from LCNF projects. DNOs agreed to fill in this table.

|  |  |
| --- | --- |
| **Action** | **Person –By** |
| Create table for DNOs to complete to provide information on the different forms of a DSO role, based on learning from LCNF projects | Ofgem – by 12/12 |
| Complete table and submit to Ofgem | DNOs – by next meeting |
| Set out the current obligations and responsibilities of DNOs, TOs and the SO  | National Grid/DNOs – by next meeting |

# Any other business

* 1. No other business raised

# Date of next meeting

17 December 2013, 10:00 – 13:00