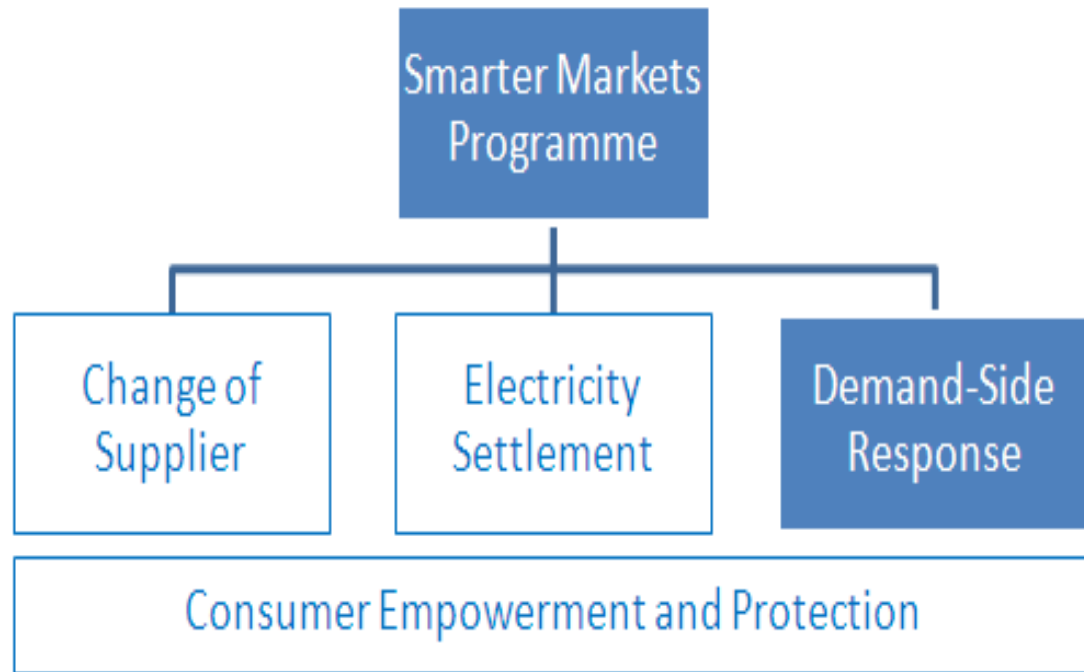


Demand Side Response

Plan for working with WS6

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Objective: To create a market environment that supports efficient system-wide use of demand-side response. Focus on longer-term market development.

What is the aim of the next stage of work?

To bring together the components of a DSR framework and formalise the interactions between parties within the existing market model

- to enable industry parties to realise the value from DSR
- to assess how to remove significant barriers to efficient system-wide use of DSR

What form will a framework take?

The final form is yet to be determined. However, we envisage:

- a single document that sets out all interactions between parties and identifies gaps
- a link to relevant codes/other industry agreements and changes to be considered to realise the value from DSR

What role will WS6 play?

To contribute to development of the framework at each of the key stages:

- leveraging upon the work WS6 has already done
- informing the development of a set of options

Scope of new project - attempt at merging two approaches

WS6 stages	Ofgem DSR Project – how it fits with WS6 work
Overall	Supplier/SO/TO/DNO/generator/aggregator/ESCO products
	How, when and why different parties use DSR
Stage 1 – Option development	Are any existing options/routes to market also applicable to wider range of parties?
	Additional options/routes to market which range of parties might be interested in?
Stage 2 – Consider roles and relationships for relevant parties under options	Roles and responsibilities of individual parties
	Rights of individual industry parties
	Interactions between parties - conflicts and synergies
Stage 3 – Commercial/regulatory arrangements for each option	DSR actions and practices
	DSR rules, eg actions parties may take after gate closure, arrangements for calling DSR actions
	System, operational and financial cross-party impacts
	Information sharing/communication arrangements
	Commercial issues
	Common standards for base lining, measuring and verifying DSR?
	Consolidation of options for removing barriers/putting in place appropriate commercial and regulatory arrangements
Stage 4 – Define roles and relationships with supporting commercial/regulatory arrangements across options	

- Feb
- Scope of work and stages

- Mar to April
- Review WS6 outputs from broader perspective, gap analysis and develop a refined set of options

- May to Sept
- Complete detail for all options i.e. roles & responsibilities & Commercial arrangements

- Oct to Nov
- Define roles and relationships with supporting commercial/regulatory arrangements across options

Final set of defined options