

ELEXON

24 June 2021

By e-mail to: ofgemdataservices@ofgem.gov.uk

Dear Greg,

Consultation on Data Best Practice guidance and Digitalisation Strategy and Action Plan guidance.

Thank you for the opportunity to provide/share our views on the Data Best Practice (DBP) and Digitalisation Strategy and Action Plan (DSAP) guidance that energy network companies will have to comply with.

As you are aware, Elexon is the Code Manager for the Balancing and Settlement Code (BSC). We are responsible for managing and delivering the end-to-end services set out in the BSC and accompanying systems that support the BSC. This includes responsibility for the delivery of balancing and imbalance settlement and the provision of assurance services to the BSC Panel and BSC Parties. We manage not just the assessment, but also the development, implementation and operation of changes to central systems and processes.

In addition, through our subsidiary, EMR Settlement Ltd, we act as settlement agent to the Low Carbon Contracts Company (LCCC) and the Electricity Settlements Company (ESC), calculating, collecting and distributing payments to Contract for Difference (CfD) generators and Capacity Market (CM) providers. EMR services are provided to the LCCC/ESC through a contract and on a non-for-profit basis.

We are highly supportive of the industry efforts to implement DSO, and will continue to work to find solutions to enable flexibility and reduce costs in all parts of the electricity system.

We have limited our response to areas where we feel we can add value. If you would like to discuss any areas of our views, please contact Jeremy Caplin, Market Architect at Jeremy.Caplin@elexon.co.uk.

Yours sincerely,

Angela Love
Director of Future Markets and Engagement

Elxon's response to Ofgem's consultation on Data Best Practice guidance and Digitalisation Strategy and Action Plan guidance.

Question: Do you have any recommended improvements to the Principles, Explanations, Techniques or Examples?

We note that the Explanations and Techniques, particularly for the Data Best Practice (DBP), draw heavily from the EDTF Report led by Ofgem. As we have already commented on these techniques during the development of the EDTF report, we have nothing to add at this point.

Question: Are there any other Principles and Explanations you believe should be included?

No, we do not believe that any other Principles or Explanations need to be included.

Question: Are there any additional Techniques or Examples you recommend we include?

We welcome the efficiency and flexibility of making techniques and examples easy to update by keeping them outside of the main guidance documentation.

Question: Do you agree with our treatment of data literacy and skills and of data governance as pre-requisites to compliance?

Yes, we agree with your treatment of data literacy and data governance.

Question: Do you have a suggestion for improving our definition of Energy System Data and therefore the scope of data assets energy network companies must use in compliance with DBP?

We would suggest that it would be helpful to clarify the intended scope of the DBP. The definition of Energy System Data links back to data obtained by an entity exercising its rights and obligations under one of the Licences listed in the Electricity Act. There is a significant amount of data that arises indirectly from Licence obligations that may not be consistently treated by this definition. For example, the Transmission Licence creates the Grid Code, CUSC, STC and BSC. It would appear that any data collected by the ESO, under the Grid Code for example, would be covered by the DBP, as data is collected by a Licenced entity exercising obligations and rights arising from a Licence, while data collected by Elxon under the BSC is not covered, as Elxon is not a Licenced entity. We would suggest it would be beneficial to treat data obtained by all Code Administrators in the same way, and therefore propose that the definition be extended to explicitly cover all data collected as a result of any activities arising from an obligation in any of the referenced Licences.

Question: What are your views on DBP guidance and DSAP guidance being used as our data and digitalisation standards and, if you agree, what applications do you envisage for these standards?

We agree that the DBP and DSAP guidance forms a good basis for the creation or modification of regulatory requirements in this area.

In general, all data has the potential to add value and so could be subject to regulations based on these guidance documents. Specific examples of 'quick wins' that could add significant value would include data on embedded generation, particularly the individual generator output data used by ESO to forecast and estimate embedded wind and solar generation.

There is an argument that any data that is obtained by Licenced entities through activities funded through Licence based industry wide charges (such as DUoS, TNUoS or BSUoS), as well as Network Innovation Allowance or Network Innovation Competition funding), should be covered by regulation based on this guidance. This could be extended to include algorithms and models that make use of the data, such as demand forecasts.

The publication of all industry funded algorithms and models could provide an opportunity to integrate digital services from other economic sectors by sharing best practice.

We believe that the model approved by Ofgem in Modification P398 is a good basis for future regulation for all codes. The key features of the model are:

- The principle of Presumed Open is embedded in the code;
- There is a fully documented and transparent process whereby applications for data access are assessed;
- The decision on whether to publish data, and what mitigation may be required, is made by an industry-wide committee and not by the Data Controller in isolation;
- Reasonable costs of making the data available are socialised (in the case of P398 through BSC charges).

Question: What is your view on the Electrical Engineering Standards Independent Review (EESIR) recommendation for “presumed capture and publishing of data” in relation to our default positions (DBP guidance and DSAP guidance)?

We agree with the suggestion that it would be more appropriate for a Principle on “presumed data capture and publishing” to be introduced at a later date once more experience is gained on the application of the existing guidance.

We note that the current DBP guidance does recommend archiving data rather than deletion of data. While we agree that speculative capture of data for future purposes would raise complex challenges, we would suggest that speculative retention of data that is already captured and stored for a period of time is a different use case. We would suggest that the DBP guidance should state that by default all data that is currently captured and retained for a significant period of time (say a year or greater) should be archived and not irrevocably deleted, unless there is a clear justification for not doing so.

Question: Which gas and/or electricity market products/services (existing or planned) should be included in our upcoming data and digital monopolies review?

Elxon believe that a good starting point to define the scope of the data and digital monopolies review is to include all products and services that are funded by charges to market participants that they are required to pay to a specific organisation in order to participate in a particular energy market. This would include activities by Elxon funded by BSC charges, activities by Electralink funded by DTS charges, activities by National Grid Group funded by BSUoS and TNUoS, and similar. For the gas market this would include network activities that are supported Xoserve/Correlia and which are funded by UNC Parties.

In addressing data monopolies, Elxon believe that the review should consider whether a data monopoly, in the sense of a single location where data can be found, is the most efficient way of delivering the principle of making data assets discoverable for potential data users. We also suggest that the review should look at how such a monopoly would be funded. Elxon believe that as a not for profit organisation that returns all unused monies to BSC Parties each year we offer the most reliable and efficient way provide all the data needed to operate and innovatively develop the electricity markets and systems.

We have already stated publically that our vision is to build on and enhance our current data capabilities provided via our Balancing Mechanism Reporting Service (BMRS) and become the 'go to' data platform for the GB electricity industry.