

24/06/2021

## **National Grid ESO response to Digitalisation Strategy and Action Plan (DSAP) guidance and Data Best Practice (DBP) guidance.**

Dear Greg,

We welcome the opportunity to respond to your consultation on DSAP guidance and DBP guidance. This response is given on behalf of National Grid Electricity System Operator (NGESO).

We support the ambition to digitalise the energy marketplace and are enthusiastic about the role we will play in the transformation. The guidance documents are generally clear and provide useful examples which can be applied in our context. While there are a number of examples in the guidance, we still consider there is significant risk of differing interpretations. We would be keen to work with Ofgem to ensure that there is a clear understanding between ourselves and Ofgem as to what Ofgem's understanding of some of these areas are in practice to ensure we meet Ofgem's expectations.

Please see our response below, where we have summarised our feedback:

### **Alignment between the RIIO- 2 Business Plan and the DSAP**

We note that there is significant overlap/repetition between our deliverables, activities and IT investments in the RIIO-2 Business Plan, detailed RIIO2 Delivery Schedule and the DSAP. Our RIIO-2 Business Plan was written with the assumption of greater digitalisation, customer-centricity, product orientation, iterative delivery of value, and technology flexibility. The activities set out in the DSAP to deliver digitalisation are the same activities and investments as in our Business Plan. Both documents are refreshed along similar timescales (every 2-years). We also like to note that the Digitalisation Action Plan overlaps with our six-monthly incentives reporting<sup>1</sup>.

To minimise duplication, we propose that:

- a. The DSAP is focused on digitalisation and sets the outcomes that digitalisation is aiming to achieve, i.e. putting the customer first, co-creation, delivering products and services that add value and benefit our stakeholders.
- b. We report detailed product milestones and progress updates through our quarterly incentive reporting commitment to reduce duplication with the Digitalisation Action Plan.

### **The DSAP guidance blends strategy document guidelines with operational guidelines.**

The guidance appears to blend a framework for how to write a digitalisation strategy with example activities that one needs to perform on a day-to-day basis to be defined as a digitalised organisation.

We would like the guidelines to be clear as to what should be in the strategy, what a good strategy looks like, and how successful completion of the DSAP will be measured. Where the guidelines define characteristics of a digitalised business, we would like clarity about how success will be measured (especially where there is overlap with our Business Plan and incentives mechanism).

### **Scope of the open data triage (ODT)**

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<sup>1</sup> Our deliverables tracker can be found here <https://www.nationalgrideso.com/document/189141/download>

We note that the guidance mandates us to process all Data Assets (3.37 DBP guidance). We use data from external sources which input into scheduling and dispatch decision making. We believe it would be more efficient for us to triage only the Data Assets that are unique to the ESO (i.e. only the data we create, rather than all the data we hold). Inputs we take from others would presumably be triaged and published by them at source (noting that this may not be the case for smaller data providers)?

#### **Data Assets and the presumed open principle (DBP guidance, principle 11)**

We further note that “software scripts” used to process Data Assets are also presumed open. We would like clarity on the definition of a software script, and if, for example, this would include machine learning algorithms.

#### **Risk management – the unintended consequences of sharing data**

We understand that the guidance highlights the risk that any published data could be combined with other sources to reveal a vulnerability to be exploited by a bad actor (Table 12 DBP guidance). This could pose a threat to security or have a negative impact on the Public Interest (e.g. by enabling market manipulation).

We would like clarity regarding where accountability for risk mitigation resides. We recognise the responsibility of the ESO for risk mitigation where we have direct control over ESO-generated data. However, we would not expect an individual organisation to mitigate the risk of a bad actor combining disparate datasets to gain insight that is then used negatively.

We welcome the opportunity to further discuss the points raised within this response. Should you require any further information or would like clarity on any of the points outlined in this paper then please contact Matthew Howson in the first instance at [matthew.howson@nationalgrid.com](mailto:matthew.howson@nationalgrid.com).

Yours sincerely

Norma Dove-Edwin

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