

FAO: Greg Johnston  
Sent by email: [ofgemdataservices@ofgem.gov.uk](mailto:ofgemdataservices@ofgem.gov.uk)

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Dear Greg

**Consultation on Data Best Practice guidance and Digitalisation Strategy and Action Plan guidance – SSEN Transmission feedback**

I am pleased to enclose a response from SSEN Transmission to Ofgem's request for comments on the "Consultation on Data Best Practice guidance and Digitalisation Strategy and Action Plan Guidance". The path to Net Zero remains uncertain. Ensuring there is as much certainty as possible (without compromising flexibility) in regulatory processes will be paramount in assisting both network companies and Ofgem to facilitate delivery of Net Zero at lowest cost to the consumer, while maintaining world-class levels of system reliability.

We have the following comments to make on the guidance documents and the consultation in general:

**General**

- We recognise that the principles within the guidance documents have been drafted at a fairly high level of generality and presume that this is with the intention that they should be seen as overarching requirements that can be applied flexibly by TOs (e.g. in production of their Digital Action Plan). These are principles which have to be considered within the context of a fluid and ever-changing digital landscape.

However, we note that a number of the requirements and expectations on network companies within the latest version of the guidance have been strengthened from earlier drafts. This has meant that a number of stipulations have been upgraded from *should* to *must*. We do not think that this inflexibility is consistent with the principles based regulation approach taken throughout the documents.

We concede that some requirements (e.g. on submission dates and updating frequencies) should be mandatory but would submit that the majority of the other expectations on firms within the principles would be more appropriately pitched as optional and/or best practice. SSENT would of course endeavour to meet all of the expectations set out in the guidance documents but there should be recognition in regulatory expectations that this may not always be possible nor indeed appropriate.

- On a separate but related point, in the consultation document Ofgem asks for our views on the DBP guidance and DSAP guidance being used as Ofgem's data and digitalisation standards. We do not support this proposition. In line with our comments above, we think that the guidance documents should remain principles rather than standards.

We support the use of a principles based regulatory framework on these topics as it builds flexibility into a system in a fast-moving area where this is required. We think this will allow TOs the sufficient flexibility to provide high quality data best practice and digitalisation action plans, which are in the interests of consumers. A move to a standards- (or rules-)based approach here would risk introducing inflexibility which could engender a number of adverse outcomes (e.g. it may necessitate more frequent rule updates

and all of the associated TO-regulator engagement and consultation that entails in scenarios where the external context shifts).

### **Data Best Practice (DBP) Guidance**

- The DBP guidance introduces the principle that “data assets” must be treated as ‘presumed open’. We have concerns with this principle on the basis of the volumes of data which we anticipate will need to be assessed. A standing presumption of openness could introduce a significant resource requirement on TOs which could detract from more value adding activities and could be a cost to the consumer rather than a net benefit. The driving impetus of ‘presumed open’ data is the wish to provide a net benefit to consumers by making data more available for use by energy system users. This benefit could be outweighed by a large overhead on organisations responsible for handling data to make all data assets open regardless of stakeholder needs and benefits. The stakeholder identification of use cases and prioritisation is a key requirement of the DSAP principles not reflected within the DBP principles. At a minimum, the Open Data Triage process must define the relevant use cases and limitations in relation to ‘presumed openness’.
- The DBP guidance includes a definition of ‘Data Asset’ which is unnecessarily wide and risks creating confusion and lack of certainty. As currently drafted, the definition of ‘Data Asset’ could be interpreted as including e.g. systems. This would then suggest that network companies’ systems are presumed open. We request clarification from Ofgem that it is the outputs from systems that are considered the “Data Assets” and not the systems themselves.
- In section 3.2 (on p.13) of the DBP guidance, the term ‘practitioners’ is used but this is not defined within the guidance document itself. We note that this term is relatively vague and could be interpreted to mean a number of persons (e.g. data experts, consultants, data engineers at network companies etc.) Ofgem should clearly define the practitioners it is referencing here.
- In Chapter 3 (on p.14) of the DBP guidance, Ofgem sets out the requirements for network companies to accurately describe data using ‘industry standard metadata’. We note that there are large volumes of industry standards and these are often conflicting. While common standards exist (e.g. IEC / ISO standards), the applications of those standards are often proprietary (i.e. vendor or company specific.) Before network companies are able to readily comply with the requirements of Chapter 3, collaborative effort will be required going forward (e.g. via ENA Data and Digitalisation Steering Group, Energy Digitalisation Taskforce etc) to facilitate standardisation in this space.
- In section 3.8 (on p.16), Ofgem notes that licensees must ensure that “all potential” data users can identify data assets that the licensee is custodian of. We submit that ‘all potential’ is a very wide cohort of people. We are not clear how network companies could realistically comply with such an unreasonably wide definition in practice.
- In section 3.10 (on p.18), Ofgem states that “the Licensee must ensure that Data Assets are of a quality that is sufficient to meet the requirements of its Data Users.” There is a risk that Data Users’ ‘requirements’ could be in excess of our own data quality requirements. Our policies on data quality requirements have been produced to comply with existing data protection and management legislation and guidance. We submit that this is not a reasonable expectation to place on firms. We are also of the view that there should be reciprocal expectation on users i.e. they should have a reasonable duty to validate (or sense check) data.
- In section 3.12 (on p.19), Ofgem notes that licensees must “enable interoperability” between data assets. We submit that this would be a difficult requirement for regulators to police compliance on. There is still

a need for industry to make a concerted effort to put in place reasonable standards on 'interoperability' of data.

- In section 3.16 (on p.21), Ofgem states that "when Data Assets are not required by the Licensee, the Licensee must ask stakeholders whether they consider if the Data Assets could create a future benefit if archived." We have data retention policies which ensure that we do not hold data for longer than is required in order to minimise the economic, privacy and information security risk. As noted above, our policies on data have been produced to comply with existing data protection and management legislation and guidance. This principle is directly in contradiction with our policies on data retention.

#### **Digitalisation Strategy and Action Plan (DSAP) Guidance**

- We note that Ofgem refers (throughout the guidance document) to variously the 'Digital Action Plan', 'Digitalisation Strategy' and the 'Digitalisation Strategy and Action Plan' (DSAP.) Indeed, on page 8, Ofgem defines 'DSAP' as "a combination of the Digitalisation Strategy and Digitalisation Action Plan."

In SSENT's RIIIO-T2 licence, we have a requirement (SpC 9.5.1) to have a (i) Digitalisation Strategy and (ii) a Digitalisation Action Plan. There is no reference within our licence to a requirement to have a combined Digitalisation Strategy and Action Plan (or DSAP.) We would appreciate it if Ofgem could clarify their intention in continuing to refer to the DSAP throughout this guidance document.

We trust that these comments are clear but please do not hesitate to contact us if you have any questions or comments about our feedback.

Yours sincerely

David Howie  
**Senior Regulation Analyst**  
**SSEN Transmission**