

Guidance

Digitalisation Strategy and Action Plan Guidance

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This document is Ofgem's Digitalisation Strategy and Action Plan Guidance. Its requirements must be complied with by [licensees](#) of the RII0-2 price controls. It is part of Ofgem's standards for data and digitalisation, to be followed by relevant Licensees and by Ofgem itself.

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Document version	Description	Changes since previous document
Digitalisation Strategy and Action Plan Guidance v0.3	Proposed Version May 2021	N/A
Digitalisation Strategy and Action Plan Guidance v1.00	Version as a result of consultation May 2021	As set out in "Track Changes DSAP Guidance v1.00"

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1. Introduction

- 1.1. This document provides principles and explanations that describe requirements for complying with [Digitalisation Strategy and Action Plan Guidance \("DSAP Guidance-"\)](#).
- 1.2. Energy network companies who are licensed under the RIIO-2 price controls (gas and electricity transmission, gas distribution network companies and the electricity system operator) are required to comply with this guidance when they are preparing and updating their Digitalisation Strategy and Digitalisation Action Plan.
- 1.3. To find out more about this licence obligation, please visit these following links:
 - RIIO-2 Final Determinations for Transmission, Gas Distribution and Electricity System Operator¹;
 - RIIO-ED2 Sector Specific Methodology Decision²; and
 - Decision on the proposed modifications to the RIIO-2 Transmission, Gas Distribution and Electricity System Operator licences³.
- 1.4. Ofgem's standards for data and digitalisation, to be followed by relevant Licensees and by Ofgem itself⁴. Both the Data Best Practice Guidance and this guidance are part of our standards for data and digitalisation.
- 1.5. The work of the other organisations, such as GO FAIR and Government Digital Service (GDS) have strongly informed the development of this guidance. The [Government Digital Service \(GDS\)](#) provides wide-ranging support for topics relating to data and digitalisation; it gives information and methods that span all the principles in the guidance. Of particular relevance are the following:
 - GO FAIR and its FAIR data principles⁵;
 - GDS Service Standard⁶;

¹ <https://www.ofgem.gov.uk/publications-and-updates/riio-2-final-determinations-transmission-and-gas-distribution-network-companies-and-electricity-system-operator>

² <https://www.ofgem.gov.uk/publications-and-updates/riio-ed2-sector-specific-methodology-decision>

³ <https://www.ofgem.gov.uk/publications-and-updates/decision-proposed-modifications-riio-2-transmission-gas-distribution-and-electricity-system-operator-licences>

⁴ <https://www.ofgem.gov.uk/publications-and-updates/forward-work-programme-202122>

⁵ <https://www.go-fair.org/fair-principles/>

⁶ <https://www.gov.uk/service-manual/service-standard>

- GDS Technology Code of Practice⁷; and the
- GDS Service Manual⁸.

Schedule for Updating Digitalisation Strategy and Action Plan for RIIIO-2 Licensees

- The Digitalisation Strategy update must be published on or before 31st March 2022 and at least every 2 years after this date.
- The Digitalisation Action Plan update must be published on or before 30th June 2021 and at least every 6 months after this date (i.e. each subsequent 31st December and 30th June).

General feedback

1.6. We believe that feedback is at the heart of good policy development. We are keen to receive your comments about this guidance. We'd also like to get your answers to these questions:

1. Do you have any comments about the overall quality of this guidance?

~~2. Do you have any comments about its tone and content?~~

~~3. Was it easy to read and understand? Or could it have been better written?~~

~~4. Any further comments?~~

1.7. Please send any general feedback comments to ofgemdataservices@ofgem.gov.uk.

⁷ <https://www.gov.uk/government/publications/technology-code-of-practice/technology-code-of-practice>

⁸ <https://www.gov.uk/service-manual>

2. Summary

2.1. DSAP ~~guidance~~Guidance defines regulatory requirements for transparency, stakeholder engagement and coordination with respect to an organisation's current and future ~~products~~Products and ~~services~~Services relating to data and digitalisation. These requirements ~~are to~~must be complied with when an organisation publishes its: (1) Digitalisation Strategy and (2) Digitalisation Action Plan. Any organisation working to publish a DSAP should, if currently obligated under their licence or not, do so using the most recently available guidance published by the Authority except where the Authority has stated otherwise. The DSAP ~~guidance~~Guidance is also a principles-based set of guidance and, like the Data Best Practice (DBP) guidance, ~~is not specific to the energy sector.~~

2.2. The purpose of a Digitalisation Strategy is to share an organisation's understanding of its stakeholders' needs and the ~~products~~Products and ~~services~~Services required to meet those needs, all with an ultimate goal of creating consumer and Public Interest benefits. The purpose of a Digitalisation Action Plan is to show ~~the progress that~~ an organisation is making ~~toward~~progress towards delivering the work required to ~~realise~~fulfil its Digitalisation Strategy.

DSAP Principles:

1. Prioritise providing benefits to the stakeholders who pay for the Products and Services as well as benefits that are in the Public Interest.
2. Ensure Products and Services work towards a defined vision.
3. Take full advantage of opportunities to deliver benefits early and to iterate improvements to Products and Services.
4. ~~Make it easy for~~Enable stakeholders to understand the Products and Services, the status of their delivery and how to access them.
5. Ensure visibility about the nature and status of actions in the Digitalisation Action Plan.
6. Ensure there is shared understanding of how success and performance is measured.
7. Coordinate with the wider ecosystem of Products and Services.

Definitions

Digitalisation: the use of digital technologies to change an organisation's operating model and provide new revenue or equivalent value-creating opportunities; it is the process of moving to a digital business/organisation.

Digitalised: Elements of an organisation's operating model that have been through Digitalisation.

Digitalisation Action Plan: an organisation's plan to digitalise its Products and Services prepared and published in accordance with Part B of Special Condition 9.5 (Digitalisation) of the RIIO-2 price controls for Electricity Transmission, Gas Transmission and Gas Distribution and Part B of Special Condition 2.11 (Digitalisation) of the RIIO-2 price controls for the Electricity [ServiceSystem](#) Operator.

Digitalisation Strategy: the strategic approach taken by an organisation to digitalise its Products and Services and evidenced by the archive prepared and published by the [LicenseeLicensees](#) in accordance with Part A of Special Condition 9.5 (Digitalisation) of the RIIO-2 price controls for Electricity Transmission, Gas Transmission and Gas Distribution and Part A of Special Condition 2.11 (Digitalisation) of the RIIO-2 price controls for the Electricity System Operator.

Digitalisation Strategy and Action Plan Guidance: means (1) the guidance document issued by the Authority in accordance with Part C of Special Condition 9.5 (Digitalisation) of the RIIO-2 price controls for Electricity Transmission, Gas Transmission and Gas Distribution and Special Condition 2.11 (Digitalisation) of the RIIO-2 price controls for the Electricity System Operator and (2) part of Ofgem's standards for data and digitalisation.

DSAP: A combination of both Digitalisation Strategy and Digitalisation Action Plan.

Interoperability-By-Design: Ensuring that the data and digital aspects of Products and Services have the ability to exchange and make use of information between one another throughout their end-to-end lifecycle.

Public Interest: The welfare or well-being of the general public and society

Products and Services: Anything that a party can offer to a market for attention, acquisition, use or consumption that could satisfy a need or want.

Single Provider Product or Service: A product or service among the Products and Services provided by the Licensee where no alternative option or provider is available to parties seeking to access that product or service.

the Authority: means the Gas and Electricity Markets Authority that is established under section 1 of the Utilities Act 2000

3. The Digitalisation Strategy and Action Plan Principles

1. Prioritise providing benefits to the stakeholders who pay for the Products and Services as well as benefits that are in the Public Interest

Explanation

- 3.1. The Licensee/Licensees must identify and clearly set out ~~the stakeholders of~~ its Products and Services for its stakeholders. Licensees must also identify and set out the needs of their stakeholders, where meeting these needs will benefit one or both of end-consumers and the Public Interest. The Licensee/Licensees must include details of the benefits which will be generated for the end-consumer and/or Public Interest ~~benefits that will be generated,~~ through delivery of the DSAP.
- 3.2. For each Product and Service or action described within the DSAP, the Licensee/Licensees must be clear about which stakeholder needs it ~~meets~~will meet and what benefits it ~~delivers~~will deliver to end-consumers and/or for the Public Interest. The Licensee/Licensees must include the needs of ~~potentially digitally excluded~~those stakeholders ~~of~~who may not have digital access to its Products and Services ~~and set out alternative ways for them to access information on its available Products and Services.~~
- 3.3. The Licensee/Licensees must gain stakeholder validation and assurance that the Products and Services to be delivered as described by the DSAP are ~~the right ones~~correct to ~~gain~~ensure the targeted benefits of the DSAP are met. The Licensee/Licensees must include in the DSAP a summary of stakeholder feedback and how it is responding to ~~this or including this as part of their strategy.~~

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2. Ensure Products and Services work towards a defined vision

Explanation

- 3.4. In its Digitalisation Strategy, the Licensee/Licensees must include a vision and associated objectives ~~and these~~. These objectives must describe the outcomes that successful delivery of the DSAP will ~~have achieved~~achieve for the benefit of end-consumers, stakeholders and the Public Interest. The Licensee/Licensees must describe the solutions it will provide that will deliver the vision and its associated objectives, by describing these in terms of a collection of Products and Services that, once they exist, ~~wholly will~~ deliver the vision and its associated objectives.
- 3.5. In its Digitalisation Action Plan the Licensee/Licensees must specify the actions it is taking to adapt and change its Products and Services, so that they increasingly transition into the collection of Products~~remain relevant~~ and ~~Services that~~ deliver the vision ~~of the strategy~~. Only in cases where stakeholders express a need for the information, the Licensee/Licensees must include any enabling Products and Services that facilitate ~~(or+ are a precondition for)~~ the delivery of end-user Products and Services.
- 3.6. The Licensee/Licensees must, in its Digitalisation Strategy, make clear how the DSAP integrates with and enables the Licensee/Licensees to meet its responsibilities as it exercises its rights and obligations under a licence granted under section 6 (1) or (1A) of the Electricity Act 1989 or section 7, 7ZA, 7A or 7AB of the Gas Act 1986.

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3. Take full advantage of opportunities to deliver benefits early and to iterate improvements to Products and Services

Explanation

- 3.7. The Licensee's/Licensees delivery of Products and Services described in the DSAP must take advantage of opportunities to deliver benefits to consumers, stakeholders and the Public Interest as early- as practicable. This includes, where opportunities exist to do so, the ~~Licensee delivering~~Licensees deliver improvements to the Products and Services described in the DSAP incrementally throughout the development and end-to-end lifecycle of the Products and Services.
- 3.8. As improvements are made to the Products and Services described in the DSAP, the Licensee/Licensees must make clear in/within the DSAP how these improvements are adapting the Licensee's/Licensees current Products and Services to become the Products and Services required to deliver the Digitalisation Strategy vision and associated objectives.

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4. ~~Make it easy for~~**Enable** stakeholders to understand the Products and Services, the status of their delivery and how to access them

Explanation

- 3.9. The Licensee/Licensees must clearly set out in the DSAP the Products and Services that stakeholders can currently benefit from and provide information about how to access them. In the DSAP the Licensee/Licensees must ~~make it easy for~~**enable** stakeholders to understand the specific Products and Services that ~~are planned to~~**will** be available in the next 12 months and indicate what Products and Services it is considering making available ~~further into~~**in** the future. This must include any improvements to or decommissioning of existing Products and Services.
- 3.10. The Licensee/Licensees must include information that describes the nature and status of each of the Products and Services included in the DSAP and in a way that is accessible to stakeholders. These descriptions must be concise, and the presentation of Products and Services must make it easy for stakeholders to compare them with the Product and Services included in other Licensee's/Licensees DSAPs. The Licensee/Licensees must provide opportunities for stakeholders to ~~gain~~**obtain** more detailed information about each Product and Service.

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5. Ensure visibility about the nature and status of actions in the Digitalisation Action Plan

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3.11. The Digitalisation Action Plan must state the collection of actions the Licensee/Licensees is undertaking or will undertake to adapt its Products and Services from those currently available to those required to deliver the DSAP vision. The Licensee/Licensees must provide a concise description of each action ~~in the collection~~ and this must include:

- the current progress status of the action;
- ~~in what way~~ show successful delivery of this action ~~adapts the~~ will adapt current Products and Services to become the Products and Services required to deliver the DSAP vision and;
- ~~detail~~ details on how stakeholders can gain more detailed information about the ~~action~~ actions.

3.12. The Licensee/Licensees must include in the collection of actions; the current actions, planned future actions, ~~and~~ and successfully completed actions ~~and actions that are no longer planned to be delivered.~~ For actions that have either been completed, or are no longer ~~planned to be delivered~~ relevant, the Licensee/Licensees must provide access to ~~an~~ the archived collection. The Licensee/Licensees must ~~divide and scope the collection of actions such that~~ provide stakeholders ~~benefit from~~ with a meaningful update ~~about~~ clear explanation on the progress and delivery between publication of updates to the DSAP.

3.13. When the Licensee/Licensees publishes updates to the Digitalisation Action Plan, it must ~~make any changes to the status and nature of actions easy~~ provide clear updates for stakeholders ~~to understand, on the status of its actions~~ including ~~when~~ timescales and reasons why actions ~~in the collection~~ have been added, changed, or removed.

3.14. The Licensee/Licensees must ~~allow~~ provide stakeholders ~~to know which~~ with details on the actions ~~that~~ must be delivered before new Products and Services and Products and Service improvements will become available.

3.15. The Licensee/Licensees must make clear the priority of each action by setting out clear timelines that show when it will expect to start and ~~when it is expected to be~~

~~completed-complete.~~ The ~~LicenseeLicensees~~ must prioritise the delivery of the actions it needs to complete to deliver the target Products and Services based on the ~~projected~~ benefits ~~that will be gained by~~for the end-consumers who pay for the ~~productsProducts~~ and ~~servicesServices~~ and/or ~~for~~ the Public Interest.

6. Ensure there is shared understanding of **how** success and performance is measured

Explanation

3.16. The definition of successful delivery of the DSAP must be unambiguous. For each objective of the ~~Licensee's~~ Licensees DSAP and the Products and Services, the Licensees must use and include at least one performance measure and its definition must be available to stakeholders.

3.17. Licensees must validate ~~its~~ measures and definitions of success with relevant stakeholders before delivery of all new products/services/actions ~~and~~ as soon as ~~practical for all existing cases of these~~ reasonably practicable. Licensees must include performance reporting against these measures when updates are made to the DSAP. Licensees must gain stakeholder feedback ~~about~~for any changes to the definition of success and/or measures in advance of making these changes and must keep records ~~about that~~to show how the process was cascaded and if feedback ~~was received~~.

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7. Coordinate with the wider ecosystem of Products and Services

Explanation

- 3.18. Where Single Provider Products or Services are or will be provided by the [LicenseeLicensees](#) as part of the Products and Services included in their DSAP, the [LicenseeLicensees](#) must ensure [that](#) the Single Provider Product or Service is developed in a way that achieves Interoperability-By-Design throughout its end-to-end lifecycle, enabling the integration of the product or service with other Single Provider Product or Services, including those provided by other organisations.
- 3.19. Where the [LicenseeLicensees](#) provides Single Provider Products or Services, the delivery of these must be carried out in a way that prioritises whole system benefits to end-consumers and [/or](#) the Public Interest.

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