

Icebreaker One response to RIIO-ED2 Draft Determinations Consultation

FAO: RIIO-ED2 Team

This is Icebreaker One's response to the RIIO-ED2 draft determinations [consultation](#)¹. It can be published openly.

Our response focuses on the consultation Section 4 only, reflecting our expertise in energy data and digitalisation. Please note that throughout this consultation, Icebreaker One uses the terms Open, Shared and Closed data as defined [here](#)².

If you have any questions about our submission or require clarifications please do not hesitate to contact us via gea@icebreakerone.org. Thank you for considering our submission.

Responses to Section 4. Supporting a smarter, more flexible, digitally enabled energy system

Core-Q17. Do you agree with our proposal for implementing a Digitalisation Licence Obligation?

Icebreaker One supports the implementation of a digitalisation licence obligation. We have several suggestions that we hope add value to this obligation both for DNOs and their stakeholders:

- To ensure that strategies and action plans are easily accessible, we propose that these should be collated and made available through a single online presence - ideally via a section of Ofgem's website.
- To ensure that plans are appropriately version-controlled, we recommend that Ofgem specifies requirements for strategies to be published with a clearly marked publication date and version. Any changes to prior documentation should also be clearly and proactively identified to ensure this is transparent.
- To encourage DNO responsiveness to questions and public scrutiny, we recommend that a contact person is appointed and clearly listed in the introductory pages of all plans.
- Following our previous response during the development of the Data Best Practice guidance, Icebreaker One reiterates two suggestions.

¹ <https://www.ofgem.gov.uk/publications/riio-ed2-draft-determinations>

² <https://icebreakerone.org/open-shared-closed/>

- Firstly, we suggest that Open data triage processes would benefit from oversight by an independent arbitrator, who could support fair and consistent application of the Data Best Practice principles across all DNO jurisdictions. This could also embody an enforcement role and we propose that Ofgem consider mechanisms for enforcement as part of its implementation process.
- Secondly, we suggest that policy and regulatory bodies specify a unified approach to types of DNO data that do not meet the criteria to be published as Open data. While we fully support all efforts to improve the energy sector Open data ecosystem, our research and technology development as MEDA competition winners (Open Energy project) has shown that Open data alone will not be sufficient to achieve net zero. We suggest that a future approach builds from industry-tested foundations developed through the Open Energy [trust framework](#)³ in order to implement a clear and consistent approach to Shared data governance which can support an ecosystem of commercially, socially and environmentally valuable Shared data. We recommend that this includes:
 - The establishment of a system of data sensitivity classes, to improve consistency in sector understanding and categorisation of Shared data.
 - The implementation of a standardised approach to Shared data access, based on a standardised range of access conditions, to enable flexible governance of data access within well-defined parameters.
 - The introduction of a standardised approach to Shared data licensing, based on a standardised range of licence conditions, to enable flexible creation of licences within well-defined parameters.
- Details of the Open Energy approach to data sensitivity classes, access and licensing can be found in our reports [here](#)⁴.

Core-Q18. Do you agree with our proposal to have staggered publications of Digitalisation Strategies between RIIO-ED2 and RIIO-2 licensees?

We support the staggered publication approach as we agree with Ofgem that it would be preferable for the strategy information to be made available as soon as possible. However, mirroring our response to Q17, we suggest that all strategies should be collated and published in one online presence and subject to appropriate version control. We also highlight that organisational data maturity and the development of data strategies will undergo substantial evolution over the coming years.

Core-Q19. Do you agree with our proposed Digitalisation re-opener?

³ <http://icebreakerone.org/ib1-trust-framework-for-data-sharing/>

⁴ <https://icebreakerone.org/energy/reports/>

We support the proposed Digitalisation re-opener as a proactive approach to handling ongoing change in the digital technology and policy environments. We strongly suggest that this re-opener is revisited prior to year 3 if awaited responses to the EDiT report imply DNO spend adjustments will be necessary.

Core-Q20. Do you agree with the proposed enhanced reporting framework associated with IT/OT Data and Digitalisation spend and DSAP investment proposals?

We support the proposed enhanced reporting framework. We also request further details regarding if, when and how data generated through updated reporting processes should/will be shared with the public and/or other groups of stakeholders. We propose that this includes details regarding who data will be shared by and how - for example if it will be centrally collated and published by Ofgem, by third parties and/or individual organisations.

Core-Q21. Do you agree with our proposal to adopt TBM as part of the RIGs/RRP?

We support the introduction of an appropriate standard connecting IT/digitalisation spend with outcomes. However, we have queries regarding the adoption of Technology Business Management (TBM) in its current form:

- While TBM effectively links digital spend with business outcomes, it does not link digital spend with sustainability outcomes such as carbon emissions reduction. RIIO-ED2, echoing broader UK energy policy positioning, identifies digitalisation and system smartening as essential enablers for DNOs to meet their sustainability targets. To ensure that digital spend results in tangible and measurable sustainability impacts, we strongly recommend that it is explicitly linked to sustainability outcomes within RIIO-ED2. If TBM does not offer an opportunity to do this, then we suggest that the standard is modified and/or a complementary standard is identified to ensure that sustainability outcomes are not deprioritised.
- We are concerned that TBM is not an open standard and does not appear to be transparent. We were unable to verify whether the metrics from TBM are published in a machine-readable format with a public definition. We strongly recommend that this requirement is specified in the draft determinations.
- TBM is developed by the paying membership of the TBM Council, comprising “executive IT or finance leaders” from “organizations [sic] with greater than \$10 million in overall IT budget”. This membership is not published, and the Standards Committee that supervises the evolution of the standard is composed almost exclusively of representatives of US organisations.
- We strongly recommend that all national data infrastructure programmes adopt fully open standards wherever possible. We therefore propose a fully open standard (that is both developed and published openly) is developed as an alternative, with UK energy sector organisations having input into its governance.

Core-Q24. Do you agree with our proposed design of the DSO incentive?

No comments

Core-Q25. What are your views on the outturn performance metrics and RRE we are proposing to include in the DSO incentive? If you do not support their inclusion, please outline which alternative outturn performance metric(s) or RRE you think should be included in the framework instead.

No comments

Core-Q26. Do you agree with our proposal for the DSO re-opener?

No comments

Core-Q27. Do you agree with our proposal to introduce a new whole system strategic planning Licence Obligation?

We strongly support the proposal to introduce a whole system strategic planning licence obligation. As system complexity increases, in response to decentralisation and decarbonisation as well as the introduction of new pressures regarding energy security and supply costs, we welcome formal proposals to adopt a whole-system lens. While this consultation clearly describes the potential for DNO-owned and/or DNO-controlled data and digital tools to support this, based on our direct experience working with the DNOs, we encourage Ofgem to consider the significant value of external data and digital tools when it comes to facilitating planning of a highly dynamic and interdependent energy system. It is unlikely that such plans will be met without notable, regular and ongoing (possibly real-time) data transfers between multiple stakeholders (which will, for example, include the electric vehicle ecosystem at national scale). These stakeholders will also possess differing interests and market positions, which may need accounting for when sharing or procuring data. Echoing our response to Q17, we urge Ofgem to consider the introduction of a standardised mechanism in order to support DNOs and their stakeholders to engage constructively in aspects of whole-systems planning that demonstrate complex data-sharing needs.

Core-Q28. What are your views on the digital tools that could be used to support this?

As outlined in the above response, and supported by the EDiT report, the proposed licence obligation would highly benefit from, if not require, supportive data-sharing infrastructure. Data-sharing infrastructure must be capable of facilitating data classification, access control and licensing for multiple data types between different stakeholders - including DNOs and beyond (e.g. smart meter data, data across sectors). This is particularly significant for Shared data, to which the sector currently lacks a unified approach.

We welcome the host of improvements to DNO data, digitalisation and network visibility outlined in this consultation, however we strongly advise that attempts to facilitate

whole-system planning using internal data alone are likely to be slower and less holistic than those building in a variety of external data sources. Addressing these issues during RII0-ED2 would further support DSO requirements regarding flexibility and decarbonisation, as well as sector-wide initiatives surrounding the net zero transition in electricity, heat and mobility.

While we acknowledge that conceptual debates regarding how to facilitate data access are ongoing in the sector, Icebreaker One's Open Energy project provides a proven trust framework to meet energy sector needs for data classification, access control and licensing, as established through a competitive process with extensive sector input, peer review and scrutiny. It has been designed to deliver many of the EDiT recommendations for the Digital Spine.

As such, we propose that the Open Energy model be considered as a means to facilitate data transfer that would meet the needs of DNOs subject to the new planning obligation, with co-benefits supporting the digitalisation licence obligation and DNOs' expanding sets of data stakeholders. Operated as an independent, neutral non-profit, the model works to deliver private sector benefits in the broader context of the public interest. The model can further support the implementation of multiple schemes, governed by different bodies (e.g. regulators, code governance bodies or trade bodies) to enable a framework for interoperability across domains. A diagram of the trust framework is included in Figure 1 below and further information on the model can be found [here](#)⁵.

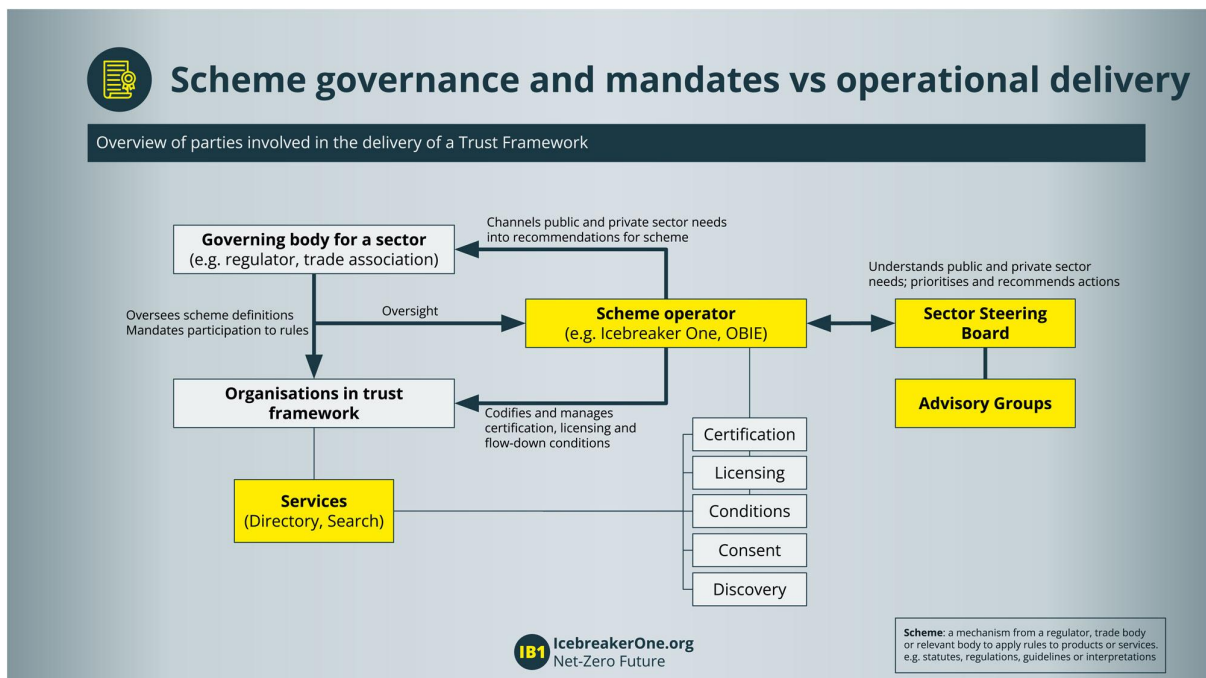


Figure 1: Understanding scheme governance for data infrastructure⁶

⁵ <https://icebreakerone.org/ib1-trust-framework-for-data-sharing/>

⁶ <https://icebreakerone.org/images/>