

Liam Bennett  
digitalisation@ofgem.gov.uk

National Grid ESO  
Faraday House  
Gallows Hill  
Warwick  
CV34 6DA

Shubhi.rajnish@nationalgrideso.com  
nationalgrideso.com

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## **ESO Response to Consultation on updates to Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance**

Dear Mr Bennett,

Thank you for the opportunity to respond to your Consultation on updates to Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance.

### **Who we are**

As the Electricity System Operator (ESO) for Great Britain, we are in a privileged position at the heart of the energy system, balancing electricity supply and demand second by second.

As the UK moves towards its 2050 net zero target, our mission is to drive the transformation to a fully decarbonised electricity system by 2035, one which is reliable, affordable, and fair for all. We play a central role in driving Great Britain's path to net zero and use our unique perspective and independent position to facilitate market-based solutions to the challenges posed by the trilemma.

Our transformation to a Future System Operator (FSO) is set to build on the ESO's position at the heart of the energy industry, acting as an enabler for greater industry collaboration and alignment. This will unlock value for current and future consumers through more effective strategic planning, management, and coordination across the whole energy system.

### **Our key messages**

- In terms of the changes to both the Data Best Practice (DBP) the Digitalisation Strategy and Action Plan (DSAP) guidance, we welcome rollout to Electricity Distribution colleagues.
- With regards to DSAP, ideally date wise, submissions from Distribution colleagues would be aligned on 2-year cycles with Transmission colleagues. However, the most important thing is that Ofgem encourage close working across industry to ensure joined up approaches to digitalisation, given it is a key enabler in the transition to net zero.
- We welcome the additional clarity provided within Ofgem's DBP guidance, particularly around explicitly setting intended outcomes.
- We understand Ofgem's intent in proposing Dublin Core as a metadata standard, and we are looking into how this can be implemented within the ESO. However, transition and implementation would need to be handled carefully. Not all the providers of data catalogue are aligned to Dublin Core which may impact parties across industry and types of systems differently. We suggest that a pilot of this may be helpful in the first instance rather than it being mandated across industry.
- We agree with the principle of treating aggregated smart meter consumption data as Energy System Data. In our role as ESO, and prospectively the FSO, access to smart meter data is necessary to better understand demand-side behaviours such as consumer turn-down, smart-charging, vehicle-to-

grid and behind the meter generation. These demand-side activities are expected to play a significant role in a decentralised, democratised, and digitalised energy system. Having actual metered data is likely to be more valuable than inferring demand change and behaviour from metered generation data. Understanding the demand-side behaviours is a vital element in being able to develop market products that deliver value to customers through their Energy Smart Appliances (ESAs). This will help to continue to ensure economic and efficient balancing services.

We look forward to engaging with you further. Should you require further information on any of the points raised in our response please contact Adelle Wainwright, Regulatory Policy Manager. Our response is not confidential.

Yours sincerely

Shubhi Rajnish

Chief Information Officer

## Appendix 1 – Consultation Question Responses

**Q1. Do you agree with our proposal to implement a structural change to DBP Guidance, introducing intended outcomes for each principle? If not, how do you suggest we could clarify the aim of each principle?**

The ESO welcomes the inclusion of Ofgem's intended outcomes for each principle as it provides further clarity around expectations in the guidance.

**Q2. What are your views on the proposed wording of our intended outcomes for each principle in DBP Guidance?**

Overall, the updates to the DBP guidance add more clarity from the previous version which is beneficial to all licensees. We have no specific comments to make on the wording.

**Question 3: What are your views on our proposal to require the use of Dublin Core as the Metadata standard for companies obligated under DBP Guidance**

We understand Ofgem's intent in proposing Dublin Core as a metadata standard, and we are looking into how to implement this within the ESO data. Work is ongoing with our IT vendor on the adaptation of Dublin Core standards for metadata within the ESO's Data Catalogue. However, implementation across the industry may be expected to take time and will need to be handled carefully.

It would be beneficial to understand in more detail about the extent Ofgem requires licensees to implement Dublin Core standard and what timeframes they would require licensees to have this implemented.

**Question 4: If you do not agree with this proposal, are there alternative Metadata standards that should be utilised by licensees instead?**

We agree that using one consistent standard would have certain benefits across the industry and we do not have an obvious alternative to the Dublin Core. We also do not have a full picture at present as to all the benefits and any potential issues / challenges one consistent standard may bring but would like the opportunity to further engage and feed into future discussions as Ofgem's thinking progresses.

**Question 5: If you are a licensee required to comply with DBP Guidance, can you provide a timescale for the implementation of the proposal to adopt Dublin Core as your Metadata standard?**

We will ensure that Ofgem are regularly updated of our progress to adopt a Metadata standard. ESO anticipate that we will be able to show progress and implementation of a range of Dublin Core Metadata elements from Q4 2023/24

**Question 6: What are your views on our proposal to require the use of the Creative Commons Attribution Licence or the Open Government Licence as the standard open data licence for companies obligated under DBP Guidance?**

We do not disagree with this proposal in principle. As the ESO, we would support the use of either of these licences, with a preference of the Open Government Licence.

**Question 7: If you do not agree with this proposal, can you suggest alternative open data licences to be utilised as a common open data licence?**

At present we do not have a suggested alternative.

**Question 8: If you are a licensee required to comply with DBP Guidance, can you provide a timescale for the implementation of the proposal to adopt the Creative Commons Attribution Licence or the Open Government Licence as your open data licence?**

As any new implementation will have to be worked into current commitments and workloads, a further review will need to be carried out to assess when a viable timeline would be ready to be implemented.

**Question 9: What are your views on our proposal to require licensees to create and publish a Data Catalogue of their Data Assets?**

We agree with Ofgem's proposal. This will help drive consistency and is part of the wider drive to have data as presumed open and transparent for all. Whether this is through publication, or via access to the data catalogue directly, it will drive greater understanding and benefits for all licensees and may have the potential to create markets and drive competition for small businesses within the energy industry.

Within the ESO we are currently working on delivery of our Data Catalogues. These will be accessible for both internal and external stakeholder groups, enabling data users to undertake data discovery and view end-to-end data lineage by the end of the year.

**Q10. Do you agree with our proposed position on treating aggregated smart meter consumption data as Energy System Data?**

In our role as ESO, and prospectively the FSO (Future System Operator), access to smart meter data is necessary to better understand demand-side behaviours such as consumer turn-down, smart-charging, vehicle-to-grid and behind the meter generation. These demand-side activities are expected to play a significant role in a decentralised, democratised, and digitalised energy system. Having actual metered data is likely to be more valuable than inferring demand change and behaviour from metered generation data. Understanding the demand-side behaviours is a vital element in being able to develop market products that deliver value to customers through their Energy Smart Appliances (ESAs). This will help to continue to ensure economic and efficient balancing services.

Greater data quantity and quality is fundamental to improving demand forecasting and predicting consumer behaviour and is a key part of the path to Net Zero. At present, some half hourly metered data arrives via Electralink systems but is not disaggregated down to domestic property level.

As we noted in our response the Market-Wide Half Hourly Settlement (MHHS) consultation<sup>1</sup> the ability to allow controlled use of consumption data to a wider range of market participants and innovators should also further consumers' interests as access to, and use of such data, will support the innovation of new product offerings and services. This, in turn, should enable the move to a smarter and more flexible energy system and support the transition to Net Zero.

**Q11. What are your views on our position that this Data Asset should be published in a non-interoperable fashion by 14 October 2023, if the appropriate security controls are in place?**

We welcome this position. From our perspective as data users, aggregating to grid supply point would provide useful data that would help us understand what further information is needed.

We have no specific comment to make on whether the date proposed is achievable.

**Q12. What are your views on our proposal that DNOs collectively determine an interoperable methodology by 28 February 2024, for publishing aggregated smart meter consumption data?**

Please see our response to Q11.

**Q13. What are your views on our proposal that licensees treat Data Assets associated with flexibility market operation as Presumed Open?**

We expect the scope of this requirement to include:

- Bids submitted for flexibility market tenders.
- Bids accepted for flexibility market tenders; and
- Utilisation of assets contracted within flexibility markets.

Therefore, proposing to require licensees to treat Data Assets associated with flexibility market operation under Open Data Triage and ultimately publish these Data Assets (with appropriate sensitivities mitigated and aggregation / masking taking place) as reasonable.

We consider it acceptable for licensees to request market operators to publish this information through their platforms, but the availability of this information must still be signposted from the licensee's website/open data platform/data catalogue as the licensee bears ultimate responsibility as the Data Custodian.

A discussion on who bears responsibility for data quality will need to be had.

The ESO, in the operation of the Demand Flexibility Service, publishes market data for on the day bids, which are then accepted/rejected. Data showing the utilisation of assets is published as soon as settlement data is obtained for the event. Under our proposal, we would like to see a similar level of data availability from DNOs and, where used, independent market operators.

<sup>1</sup> <https://www.ofgem.gov.uk/sites/default/files/2022-03/Consultation%20Responses.zip>

Where flexibility markets are being operated independently of licensees, for example Smart Local Energy Systems, we see benefits in the publishing of Data Assets generated through the operation of these flexibility markets. These companies are not regulated under Data Best Practice, and they therefore cannot be compelled to publish these Data Assets under this regulatory regime, but we consider that having all Data Assets related to the operation of flexibility markets being open and accessible would be ideal. Further consideration should be given on how to ensure that data is provided by all relevant organisations. Having access to these data assets would be beneficial to GB consumers and allow ESO to help drive down costs for the end consumer.

**Question 14: Do you foresee any specific barriers to treating Data Assets associated with flexibility market operation as Open Data?**

We anticipate that there may be commercial sensitivities associated with flexibility market operation data which may create barriers to publishing the whole suite of data. Consideration of the legal and regulatory frameworks is also required before certain data can be treated as Open Data.