

ELEXON

14 April 2023

By e-mail to: digitalisation@ofgem.gov.uk

Dear Energy System Data Regulation Team,

Re: Consultation on updates to Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance

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

Elxon is the Code Manager for the Balancing and Settlement Code (BSC), which facilitates the effective operation of the electricity market. We are responsible for managing and delivering the end-to-end services set out in the BSC and accompanying systems that support the BSC. This includes responsibility for the delivery of balancing and imbalance settlement and the provision of assurance services to the BSC Panel and BSC Parties (energy Suppliers, generators, flexibility service providers and network companies). We manage not just the assessment, but also the development, implementation and operation of changes to central systems and processes. In addition, our expertise and our significant technology and electricity industry data assets are available to support the industry, government and Ofgem in the development of future changes and innovation to support the energy transition, for the benefit of the consumer. Most recently, we have used our extensive knowledge of the electricity market and our domestic and non-domestic half hourly consumption data to administrate the governments Energy Price Guarantee and Energy Bill Discount Schemes processing up to £650m of subsidy payment per week to provide support for consumers.

In addition, through our subsidiary, EMR Settlement Ltd, we calculate, collect and distribute payments to Contract for Difference (CfD) generators and Capacity Market (CM) providers, on behalf of the Low Carbon Contracts Company (LCCC). These services are provided to LCCC through a contract. Elxon is a fully transparent, independent and not-for-profit company.

In our response, we welcome Ofgem's proposals to update the DBP and DSAP Guidance documents to reflect recent developments in the digital energy sector. We broadly agree with Ofgem's proposals, however make a few suggestions on some of them.

We have limited our response to areas where we feel we can add value. If you would like to discuss any areas of our response, please contact Hussein Osman, Senior Strategy & External Affairs Analyst (Hussein.Osman@elxon.co.uk)

Yours sincerely,

Peter Stanley
Chief Operating Officer

Elaxon's consultation response

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

We welcome the proposal to expand on the DBP Guidance and introduce intended outcomes for each principle. As alluded to in the consultation, in the absence of the proposed changes, there is broad scope for interpretation around the principles, creating divergence amongst licensees. In addition to the explanation documents, the intended guidance document will provide greater clarity on what is expected by Ofgem, creating greater alignment between licensees and other entities who wish to adopt DBP on a voluntary basis.

We recognise that this is outside the scope of this consultation, however we recommend that Ofgem look into the cost and benefits of extending the DBP to include other entities in the energy sector, such as code bodies. We believe there is value in doing so and would be happy to support Ofgem and share our expertise.

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 support Ofgem's proposal to adopt 'Dublin Core' as a Metadata standard. A metadata standard would make data discoverability and data access easier for interested parties and remove blockers for innovation. We have adopted strong data governance principles in the implementation of our Kinnect platform, with data discoverability being a key emphasis. We also support Ofgem's commitment to update the DBP guidance in the event that industry develops a more specialised Metadata standard for the energy sector. This reopener assures that licensees and other entities in the energy sector are not locked in, and that new specialised standards can emerge.

We note that the wide proliferation of off-the-shelf data governance solutions across the sector is that these tools do not always align themselves with the full Dublin Core metadata set. Mandating a full adoption could be an overhead in some circumstances. A compromise could be met by dividing the standard into must haves and best practice nice to haves.

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 agree with the use of standard open data licences for companies obligated under DBP, and in particular for licensees who currently are not using open data licences. However, to minimise disruption that could be caused by mandating a single open data licence, we suggest that Ofgem set out a few well-established standard open data licences from which licensees can choose.

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 on the need for licensees to make Data Assets discoverable via a Data Catalogue. A Data Catalogue increases the discoverability of valuable Data Assets, adding significant value to the energy system. Again, it would be worthwhile to assess the cost and benefits of expanding this obligation to other entities in the energy

sector.

Elxon has a strong track record in publishing and maintaining details of all the services that support energy settlement and the BSC. Our Insights Solution API Documentation is a comprehensive self-service area for developers and Elxon data users to discover our published API endpoints. All data that is exposable, is available via the API. The design of the API Documentation makes it easy for developers and Elxon data users to search and use.

Recently, as part of the migration of our BSC agent applications to the public cloud (as part of our Kinnect platform), we have adopted Data Cataloguing software to capture metadata and lineage.

The publication of an online data catalogue is on our digital roadmap and will allow the removal of legacy published versions. Thus, removing duplication and providing greater transparency. To improve data discoverability even further the adoption of industry standard naming conventions could also be considered.

We recommend that Ofgem assess the value of an industry wide data catalogue that can be accessed in a centralised location. For example, as the regulator, Ofgem could design a landing page that signposts where energy Data Assets can be discovered. This could deliver particular value to those not familiar with the energy sector such as innovators.

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

We agree with the proposed position on treating aggregated smart meter consumption data as Energy System Data. In 2022, we were awarded the role of Operator of the new Data Integration Platform (DIP), which is being implemented to support the adoption of market-wide half-hourly settlement. Following the development of the DIP, we believe that half-hourly GB consumption data could be made available for analysis purposes via the Elxon Kinnect Insights solution, which already adopts Open Data principles. We think there is value for all participants in centralising access to half-hourly GB smart meter consumption data.

However, a clear understanding of the level of aggregation that allows Open Data principles to be maintained, will need to be agreed.

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?

There is value in making this data available and is a least regret option. We recommend that any deadlines should be in line with other industry reforms and initiatives.

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?

Same as above.

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

We are supportive of Ofgem's proposals to treat Data Assets associated with flexibility market operation as Presumed Open where possible. Elexon has adopted Open Data and transparent data sharing as a key principle throughout its transformation programme. Modification P398 'Increasing access to BSC Data' was implemented in June 2021 to make the BSC fully compliant with the Energy Data Taskforce's recommendation that the energy sector should 'adopt the principle that energy system data should be presumed open'. This means that all of Elexon's data is considered 'open', meaning that anyone can access it, modify it and distribute it with no restrictions, unless the BSC Panel determine there is any reason not to make data available.

RIIO-ED2 will be a significant step change for flexibility with DNOs increasing their flexibility commitments and Ofgem establishing appropriate governance and systems arrangements. One of the emerging market failures identified in Ofgem's Call for Input on the Future of Distributed Flexibility was poor information and information asymmetries. Increased data access on flexibility market operation should encourage growth and participation in these markets, overcoming one of the barriers to scaling distributed flexibility. For example, making historic market data (prices, volumes, utilisation, dispatch etc) available will enable Flexibility Service Providers (FSPs) to understand the value of their asset, scale and deliver more efficiently, benefiting the whole system.

Under Ofgem's proposed reform options, data assets associated with flexibility market operation could be dispersed across multiple actors such as the DSO, FSO, and Market Platform Operators etc. In establishing governance and system arrangements, we recommend Ofgem explicitly set the expectation that flexibility market operation data should be presumed open.