

By email

23 September 2024

Electron
69 Notting Hill Gate
London
W11 3JS
23/09/2024

Dear Euan,

Ofgem Call for Input on Flexibility Market Asset Register

Our response to this consultation is based on our experience developing a flexibility market software platform - ElectronConnect - and operating flexibility markets for our customers, SSEN and ENWL. It is also based on our work in innovation programs, BiTraDER and Flex Markets Unlocked (FMU).

As a live, operational flexibility trading platform, ElectronConnect handles flexibility end-to-end, from provider and asset registration through to dispatch. This includes secure and interoperable handling of asset data of the kind contemplated in the Flexibility Market Asset Register.

As a modern digital service, ElectronConnect is able to handle asset data from a variety of sources. We consider this to be business-as-usual; asset data from multiple sources is not a challenge for the successful operation of our software. In terms of upsides, we see some scope to improve the quality and/ or access cost of asset data across the sector, and we welcome well-considered interventions in this area.

We believe where asset data resides is a topic worthy of proper consideration - particularly since regular data maintenance is a key part of the challenge. We also believe it's equally important how this data is accessed and transferred. This is especially given the proposed implementation timeframes and the fact that various types of asset data already exist in numerous locations today. We would therefore advocate for a pragmatic approach to asset data registration that can unlock portability of data as it exists today, whilst continuing to explore a centralised asset register.

Electron's responses below address these points in more detail. Please also see our joint consultation response with Arup and Energy Systems Catapult.

Yours sincerely,

Electron

Q1. Do you agree that policy intervention is needed to deliver common Flexibility Market Asset Registration?

Policy intervention is important when contemplating a single source of truth. We have some reservations about the feasibility of such an intervention.

Q2. Do you agree that for other FDI outcomes policy intervention is not needed at this stage? Are there any risks to consider with this approach to FDI delivery?

As yet unknown. There are several inflight initiatives and consultations with similar aims - we would encourage more alignment and co-ordination between policy intervention and innovation to avoid duplication of effort.

Q3. Are there any other policy alignments or industry developments, in the UK or internationally, which should be considered as part of ongoing FDI policy development?

See Electron's joint consultation response with Arup and Energy Systems Catapult.

Q4. Do you agree with the scope proposed for markets, assets, and data? Should anything else be considered?

Given we cannot predict exactly what DER characteristics and their associated data may look like in the future, we believe front loading the work on standardisation and interoperability will help with future proofing.

Q5. Do you agree with the functional outcomes? Should anything else be considered?

See Electron's joint consultation response with Arup and Energy Systems Catapult.

Q6. Do you agree with the design principles? Should anything else be considered?

See Electron's joint consultation response with Arup and Energy Systems Catapult.

Q7. Do you agree with the enablers and design activities needed and for the Market Facilitator to coordinate Working Groups for them? If not, what other activities and governance arrangements should be considered?

See Electron's joint consultation response with Arup and Energy Systems Catapult.

Q8. What are the advantages and disadvantages of the proposed delivery body options for the Flexibility Market Asset Registration digital infrastructure? Are there any additional options that should be considered? Do you agree with the justification for discounting approaches?

Asset registration software is complex and specialised enough that ownership of its policy outcomes is a very different set of roles, responsibilities and skills from the development, operation and maintenance of the technical infrastructure that delivers those outcomes. We advise separating policy delivery and technical delivery into separate organisations. A combined delivery body risks wasting time and resources.

Q9. Do you agree with the timelines proposed? Should anything else be considered?

While the timelines make sense within the scope of FMAR, we (and other sector actors) are able to pursue readily available solutions while we wait for FMAR. Given these solutions will be in place before FMAR is available, it's unclear to us how switching to FMAR will be desirable.

Q10. What existing or new policy levers could be used to improve asset visibility?

See Electron's joint consultation response with Arup and Energy Systems Catapult.

Q11. What use cases for asset visibility should be considered as priorities and why?

See Electron's joint consultation response with Arup and Energy Systems Catapult.

Q12. What costs, benefits or factors should be considered in a Cost-Benefit Analysis for asset registration solutions? Consideration should be given to: a) the time (in minutes) and resources required to complete current EREC G98, EREC G99 and MCS asset registrations (accounting for any recent process improvements, including ENA's Connect Direct) b) the current rate of duplicative registration processes for assets (e.g. networks and MCS) c) whether any additional asset data (beyond that of the current registration processes) needs to be registered to enable the benefit cases to be realised d) the costs to establish and maintain a register of assets e) the process required to assess suitability in accessing asset data f) what the essential asset registration requirements are to enable the benefit cases to be realised.

See Electron's joint consultation response with Arup and Energy Systems Catapult.

Yours sincerely,

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