

The background features a large, semi-transparent white arrow pointing from the left towards the right. Behind the arrow, there are two distinct images: on the left, a perspective view of solar panels under a bright sky; on the right, a close-up of a gas burner with a blue flame. The overall color palette is light and airy, with soft blues, oranges, and whites.

Review of the DSWG

February 2013

- We want to ensure that stakeholders' engagement with Ofgem is a worthwhile use of their time/resource (and Ofgem's)
- We have been reviewing the role of the DSWG in the context of our other routes of communication with stakeholders
- We are concerned that the DSWG in its current form may not be a valuable communication route
- We would like to use this session to set out our proposal for how we can more effectively communicate with members in future – and hear your views on this proposal
- **Regardless of any changes to this group, engaging with stakeholders remains a top priority for Ofgem**

History

Set up in 2001 following reports that demand side participants were finding it difficult to participate in NETA (particularly the BM).

Terms of Reference

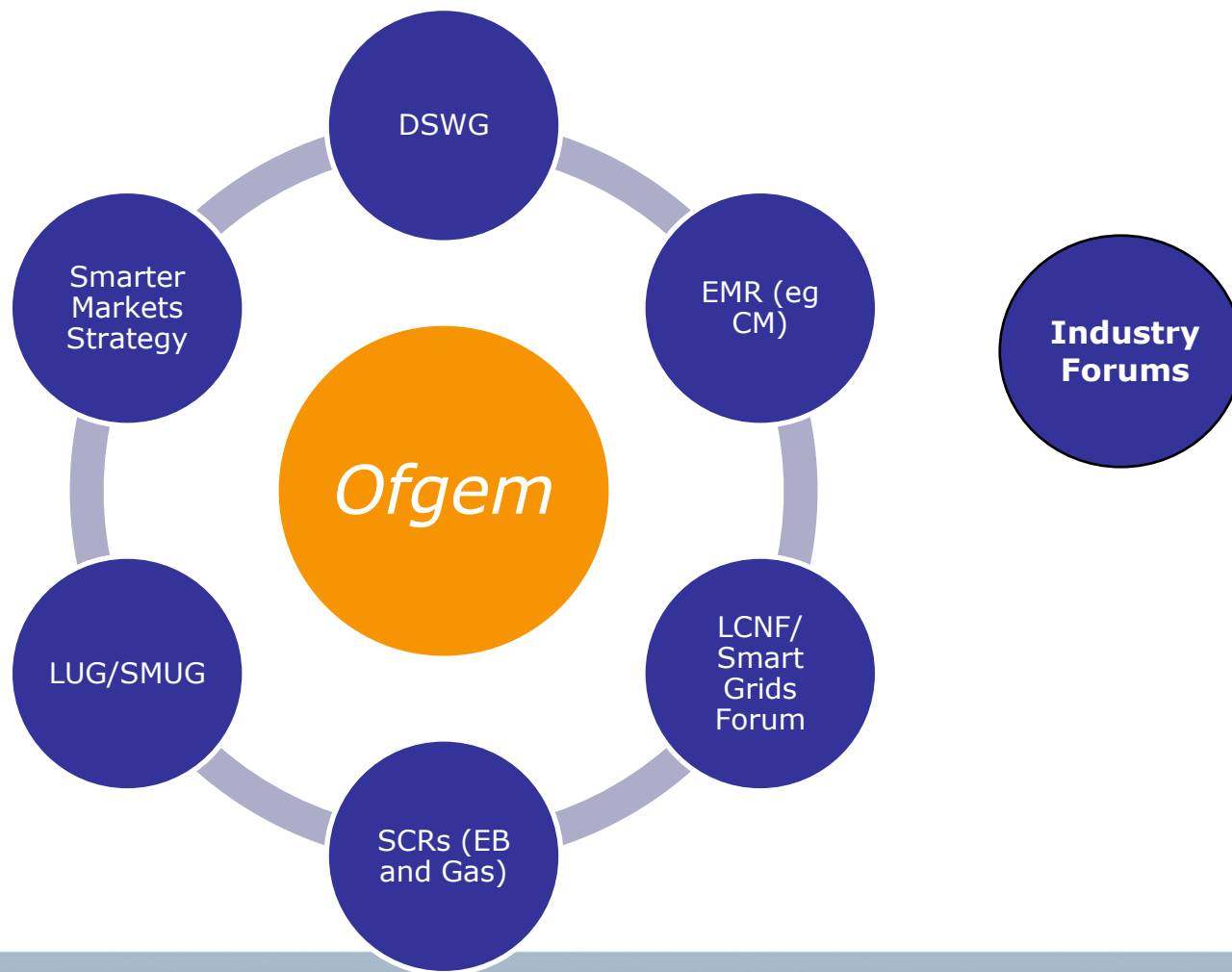
2005:

"The Demand Side Working Group aims to identify and assess any practical and/or commercial obstacles to demand side participation and to facilitate the consideration by market participants of the raising of code modifications to the BSC or any other industry documents to remove barriers to demand side participation."

2013:

"...and to provide a communication channel to keep stakeholders informed on future policy and market developments that may provide opportunities for or inhibit demand side participation."

Across Ofgem, there are a range of groups/workstreams that engage with the demand side and focus on DS issues:



Over the last year, the DSWG agenda has covered the following areas:

- **Policy changes to gas/elec markets** – Gas SCR, EBSCR, EMR, European issues
- **DS-relevant SO topics** – SO incentives, gas emergency arrangements
- **Industry DSR work** – Energy UK/ENA study
- **Network innovation workstreams** – LCNF, Smart Grids Forum

However, the group has not covered in much detail:

- **DSR specifics** (eg smart meters)
- **Code Mods**
- **Regular operation of market infrastructure** (eg STOR)
- **Detailed industry rules** (eg codes of practice)

At present, the DSWG is closer to a policy discussion forum than a working group. Does it add value in this form?

- Having considered the role of the group in the context of the other relevant Ofgem workstreams, we believe the group is not delivering sufficient value for either stakeholders or Ofgem at present

We therefore propose that:

- The DSWG ceases to meet regularly in its present form
- We consider measures to keep group members up to date with other workstreams that may be relevant to them – eg through a newsletter
- Where appropriate, we point group members in the direction of other forums through which they can engage with Ofgem
- We keep under review the case for occasional ad-hoc DSWG meetings on issues of particular concern to demand-side participants and those with an interest in demand-side issues

Do you agree with our assessment of the DSWG? Do you agree with our proposal for how to communicate with you in the future?



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