



## **Energy Local Response to Ofgem Consultation on Supplier agent functions – proposed approach**

12<sup>th</sup> of November 2018

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### **Introduction**

Energy Local CIC is a social enterprise set up to develop the Energy Local concept for the benefit of communities and other organisations that could deploy it. The Energy Local concept aggregates smart meter data together to allow domestic customers to access from Time of Use Tariffs and to directly use locally owned small-scale renewable generation by entering half-hourly settlement in a cost-effective manner as one virtual meter. It is proposed that the communities deploy a home energy management system that considers the forecast of local renewable generation, time of use tariffs, local demand curves and potentially the needs of a DNO to schedule load and guide residents as to the optimum time to use appliances.

We welcome the opportunity to comment on Ofgem's on the potential models for agent functions under half hourly settlement. This response follows on from our response to Ofgem's working paper on Agent Functions under Half Hourly Settlement dated 10<sup>th</sup> of July.

Enabling access to half hourly data for community groups and innovative organisations that seek to enable more and better use of renewables and save consumers money, will be critical if half hourly settlement is to realise its full benefits.

#### **Question 1: Do you have any comments on our updated analysis and thinking?**

We believe that the analysis that Ofgem has done to date is reasonable and appropriate. We would, however, suggest that greater attention and analysis should go on potential impacts of various models on community energy and local balancing.

#### **Question 2: Do you agree with our proposed position? If not, please explain why.**

We agree with the conclusion that centralisation of agent functions under Half Hourly Settlement would not be beneficial. We believe that it would be detrimental for small innovators and community groups due to the fact that in our experience large organisations are less nimble, innovative and accessible.

However, we would like to update our position since our response to the working paper (dated 10<sup>th</sup> of July 2018) and note that in addition to multiple agents continuing to operate, that there should also be a single database where half hourly data is stored. Provided this has the necessary data protection and where appropriate anonymisation, it should be made available to all multiple industry players including innovators and community groups that can use it to develop and deliver demand side response solutions, innovative tariffs and local balancing.

**Question 3: Do you consider that settlement data will still need to be aggregated for submission into central settlement systems in future? In light of this, do you consider that a data aggregation role is required?**

**Question 4: Do you agree with our consideration of our proposed position against our assessment principles?** Yes we agree with Ofgem's analysis and conclusion that the proposed solution is in line with its principles.

**For more information** or to follow up on any of the contents of this response please contact Holly Tomlinson on [holly@energylocal.co.uk](mailto:holly@energylocal.co.uk) or 07737970229.