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3 April 2020

Dear Steve,

**Statutory consultation on a proposal to modify the standard conditions of onshore electricity network operators licences: Whole Electricity System Licence Condition**

Thank you for the opportunity to respond to the statutory consultation on the Whole System Licence Condition. We welcome the principles of coordination and cooperation with other licensees and network users to improve the efficiency of the Whole Electricity System.

Electricity North West (ENWL) has always been proactive in developing and implementing projects which are designed to benefit the Whole System. CLASS, developed and rolled out by ENWL, is a prime example where consumers benefit from a Whole Electricity System approach using distribution network assets to provide services to National Grid Electricity System Operator (ESO). CLASS brings benefits to GB consumers as well as those in the North West, by providing Fast Reserve delivered through an effective demand side response system, at low cost and with no impact on demand customers.<sup>1</sup> It is vital that the energy system evolves from the historic centralised model to accommodate innovation, the growing volume of embedded market participants and also to take advantage of the new and alternative opportunities these parties can provide.

We support including all onshore electricity network licensees within scope. Our customers and other distribution network licensees may benefit from increased coordination with transmission owners, the ESO and IDNO licensees. In addition to onshore licensees, we believe that offshore electricity transmission licensees (OFTOs) should also be subject to the same obligations on Whole System Licence Conditions. In the future, with the potential development of the offshore electricity network, there could be Whole System benefits in offshore licensees having similar obligations as this may lead to innovations and projects in conjunction with onshore licensees.

On the concepts of coordination and cooperation, we are pleased that there are a range of our business as usual activities that fall into this bracket, and so these can be recorded on the new coordination register. We have regular planning liaison meetings with a range of licensees that we are already working with, or which may be affected by our projects, amongst other activities.

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<sup>1</sup> <https://www.enwl.co.uk/zero-carbon/our-key-innovation-projects/class/>



The principle of the coordination register is a positive step. We suggest this licence condition and the co-ordination register's effectiveness is reviewed ahead of and for application in RIIO-ED2. ENWL recognises that stakeholders see benefit in standardisation across relevant DNO activities, so we intend to explore how this licence condition can be met in a way that drives consistency in the type and quality of the data provided by networks.

I hope these comments are helpful. Please do not hesitate to contact me or Tom Selby (07824 321980) if you would like to follow up on any particular aspect of our response.

Yours sincerely,

**Paul Auckland**  
**Head of Economic Regulation**