

*Electricity Network Innovation Competition Full Submission*  
**Supplementary Answer Form**

**Project: EVOLUTION**

Tick if this answer has been provided verbally: ☐

Project code	SPD/EN/01	Question Number	16
Question date	18 August 2015	Answer date	19 August 2015
Submission section question relates to	Various		
Topic	General		
Question	The Commission's Smart Grid Task Force (EG3) published a report – "Regulatory Recommendations for the Deployment of Flexibility" – in January this year. Is this project aligned with this report?		
Notes on question			
Answer	<p>Yes. We were fully aware of the report and accept the majority of the published content. In particular we acknowledge and agree with the benefits that the report sets out as being achievable through the development of DSO capabilities.</p> <p>DSOs (and TSOs) have the possibility to optimise investment in networks through the use of smart grids, including demand side flexibility. Flexible grid access and real-time flexibility can reduce or postpone investment needs. The DSO role in flexibility can co-exist along-side a supplier (or other party) data management model provided it is properly regulated. DSOs should have the opportunity to use flexibility services where this provides a benefit to the network and hence to the consumer. Through proper regulation DSO customers can benefit from new services which can enhance and complement competitive markets.</p> <p>We would set out a potential difference in definition by the suggestion in the report that 'DSOs may need visibility of the planned aggregation actions connected to their networks'. In terms of the scope set out within EVOLUTION we would expect a DSO to take responsibility for control of actions under each GSP.</p>		
Attachments			