

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	3
Question date	18 August 2015	Answer date	20 August 2015
Submission section question relates to	Various		
Topic	General		
Question	How many network users are you assuming will participate in this project and how will they breakdown between demand customers, DG and any others? How can you demonstrate confidence that you will be able to recruit them?		
Notes on question			
Answer	<p>We are anticipating the number of users to range between 25 and 100 over the duration of the trial. From the previous projects undertaken within Ofgem's Low Carbon Funding including , CLNR, LCL, C2C and FALCON the participation has largely been sourced from owners of generation where elements of DSR have been required. This is also the case reflected across the industry as a whole and the majority of DSR capacity contracted into STOR, DSBP and Capacity Market have also been generation. There are various reasons for this including the difficulty of identifying prospective participants, complexity of load reduction processes, relative value from smaller capacities and reliability. The DSO model will however be often requiring to optimise the local network conditions by increasing load rather than just decreasing or increasing generation, which will create conditions that are likely to be more conducive to the management of demand. We would therefore have a realistic expectation that at least 50% of participants will not be utilising DG.</p> <p>At this stage we can't offer the specifics on the number of sites or capacity that we wish to recruit and contract to be involved in a DSO demonstration, but the geographic area and volume of customers contained within the GSP identified for the trial does allow us a relatively high level of confidence based upon the experiences and results of the other trials. The Smart Grid and DSR markets also continue to grow and develop quite rapidly and the conditions for recruitment should be improving over those experienced in prior trials. Recruitment of participants does however remain an important area of knowledge gathering and how this can be achieved most effectively, particularly with the expected shift by</p>		

	National Grid to achieve in excess of 50% of balancing capacity from demand side sources by 2030. We intend to provide knowledge outputs that will help future assessment of other GSPs based on the experience we gain. The results should help to predict participant volumes based on the type and number of customers contained under a GSP. Furthermore rollout of the GSP BMU model across a number of GSPs within a licensees area will enable greater participation which we will also consider as part of the project.
Attachments	