DCUSA

DCUSA Consultation

At what stage is this document in the process?

01 – Change Proposal
02 – Consultation
03 – Change Report
04 – Change Declaration

DCP 350

Creation of Embedded Capacity Registers

Date raised: ***10 July 2019***

Proposer Name: ***Alessandra De Zottis***

(represented by Lisa Waters)

Company Name: ***UK Power Reserve (On behalf of the BEIS' Panel of Technical Experts (PTE)***

Company Category: ***Supplier***

Purpose of this Change Proposal:

To obligate~~require~~ the DNOs to create a national, public register giving details of all sites that use their networks ~~and influence the operation of the GB power market~~. The Register would contain prescribed details about ~~of~~ each connected site and would be kept up to date by the DNOs.

This document is a Consultation issued to DCUSA Parties and any other interested Parties in accordance with Clause 11.14 of the DCUSA seeking industry views on DCP 350 'Creation of Embedded Capacity Registers'

The Working Group recommends that this Change Proposal should proceed to consultation.

Parties are invited to consider the questions set in section 10 and submit comments using the form attached as Attachment 1 to dcusa@electralink.co.uk by **DD MONTH 2019**

The Working Group will consider the consultation responses and determine the appropriate next steps for the progression of the Change Proposal (CP).

Impacted Parties: DNOs, IDNOs and CVA Registrants

Impacted Clauses: A new schedule [31] defining the contents of the Embedded Capacity Register and the obligations on the DNOs to keep the registers correct, up to date and publicly available (location to be determined).

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Contents

1 Summary 3
2 Governance 65
3 Why Change? 75
4 Working Group Assessment 118
5 Code Specific Matters 1713
6 Relevant Objectives 1916
7 Impacts & Other Considerations 2017
8 Implementation 2218
9 Legal Text 2218
10 Consultation Questions 2219
11 Attachments 2320

Any questions?

Contact:
Code Administrator

dcusa&electralink.co.uk

0207432 3011

Proposer:
Lisa Waters – on behalf of the Panel of Technical Experts

lisa@waterswye.co.uk

020 8239 9917

Timetable

The timetable for the progression of the CP is as follows:

Change Proposal timetable

Activity	Date
Initial Assessment Report Approved by Panel	17 July 2019
Consultation issued to Parties	16 October 2019
Change Report issued to Panel	11 December 2019
Change Report issued for Voting	20 December 2019
Party Voting Ends	10 January 2020
Change Declaration issued to Authority	14 January 2020
Authority Decision	18 February 2020
Implementation Date	27 February 2020

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1 Summary[DT1]

What?

1.1 While it is possible to see the generatorsion/DSR[DT2][LW3]/ and interconnectors connected to, or using, the GB transmission networks via registers held by the ESO, it is not possible to see the embedded power plants/DSRcustomers/storage, unless they are active Balancing Mechanism Units (BMUs). With increasing use of embedded generation/Demand Side Response (DSR)/storage for energy balancing and system management, within the capacity market and to manage local issues, it is important that this market becomes more transparent. While some of these assets can be found on industry registers, such as the Capacity Market Register, there is no national repository for information on all of these sites. This proposal will therefore require distributors (meaning DNOs (including when acting outside of their distribution services area) and IDNOs) to publish and maintain a register of all generators/demandDSR[LW4][NR5]/storage (starting with those >1MW) connected to and using their networks.

1.2 While the proposer believes that a There needs to be a national register will offer greatest value to the market, they recognise that this will in effect be but the proposer believes that this is probably best made upcomprised of regional registers, maintained by each distributor, which would have identical data fields and which would allow for easy aggregation to create a GB wide view of the applicable embedded sites.

Why?

1.3 This CP has been proposed to address ongoing concerns of the BEIS Panel of Technical Experts ("PTE"), whose role is to impartially scrutinise and quality assure the analysis carried out by National Grid Electricity System Operator (NGESO) for the purposes of informing the policy decisions for the Capacity Market (CM). In fulfilment of this role, the PTE have scrutinised the NG's ESO's Electricity Capacity Reports (ECRs) across number of years and believe that the lack of reliable data on embedded generation available to the ESO, is impacting the ESO's ability to accurately forecast. Without the necessary data to assess system security, the PTE believe that neither the Government nor the regulator can be sure that their policies are as robust as they could be.

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1.4 The market needs to rely on information to economically and efficiently plan and operate their businesses, e.g. for the ESO to forecast and balance, to ensure that each distributor knows what is on their networks, to facilitate effective competition (across the various energy markets), to inform investors and asset operators, to ensure that the industry as a whole will meet the needs of customers for secure supplies at lowest cost. The Government's Data Task Force (DTF) is looking at the how the UK as a whole can make better use of data, and this proposal is aiming to gather and presented data in a manner very much in line with the Ofgem/BEIS Energy Data Task Force's (EDTF's) goals[1].

~~1.4~~1.5 Economic theory suggests that the level of competition, and thus efficiency, within a market is driven by transparency, with all actors have access to additional information about the users of the system the market efficiency will increase delivering benefits to customers. ~~A more transparent market means the actors within that market will have access to a better level of information, which should result in a more efficient market overall.~~ The provision of transparent~~cy~~, robust, data that this change would deliver will~~should help~~ facilitate:

- Distributors ability to ensure~~check~~ that they ~~do~~ know what types of assets are~~is~~ connected to and using their networks, which in turn will help with the efficiency of planning, investment and operational decisions;
- Generators/DSR sites/customers/storage owners being~~will be~~ able to identify other system users ~~see what is~~ in their local region which may~~can~~ influence operations and investments, in some ~~isntances~~instances increasing competition, in others collaboration and trading;
- ~~Those in the w~~Wholesale market players will be able to identify~~see~~ which sites may be influencing the wholesale prices and the volume of capacity that could move between the various parts of the market (such as BM, ancillary services, etc.);
- Investors, including customers, would be able to more easily see how the market is developing, identify gaps in the market, and consider~~where their~~ options for~~could be in terms of~~ future investments in technology and location;
- New build and existing embedded sites may also be able to better understand who their projects are interacting with for connection capacity and may be able to trade rights (depending on Ofgem's charging review) or swap locations, etc. to get the most efficient outcome for their investments;
- Suppliers may be able to improve their forecasting with a better understanding of how the market may operate, such as being able to see changes in say solar capacity in real time rather than via annual updates;

[1] EDTF report in June 2019 – five recommendations: digitalisation of the Energy system; maximising the value of data; visibility of data; co-ordination of asset registration; and visibility of Infrastructure and assets.

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- The ESO in undertaking its market wide forecasts, such as the FES, NOA and Capacity Market Report, would have access to much more robust data on actual installed capacity of different types of resources, their de-ratings, location, etc.; and
- Government, Ofgem and their advisers will also be able to far more easily see how well policies are working, having better data to monitor policies such as the roll out and output of renewable or new technologies, or identify if trading capacity would be practical, etc.

How?

1.51.6 With the growth in embedded generation, and in order to inform the market and help with market forecasts done by the ESO, a register of embedded generation would be created is needed. This proposal seeks to introduce a standardised register, containing specific details pertaining to embedded generation, customers (including) DSR, and storage sites and other technologies as they develop, that are connected or are planning to connect to each distributors network. Obligations will be placed on each distributor to populate the data items contained in the register for each site, and to then update and maintain the information on an ongoing basis. It is proposed that the registers are aggregated into a national register[LW6][NR7] to be made publicly available., As a location for a national register is yet to be decided, the proposal is that regional registers will be produced as an interim step which is to be achieved by each distributor publishing their register on their individual websites and in the standardised format such that they may be easily amalgamated together.

1.61.7 There are already a number of registers available to the market, which include;

- The Transmission Entry Capacity (TEC) Register of sites connected to the transmission networks, or- holding BEGAs[2]otherwise holding transmission entry capacity[NR8], [LW9]which is maintained by National Grid ESO;
- An Interconnector Register, also maintained by National Grid ESO;
- An Embedded Register, holding BEGAs[3] or BELLAs with the ESO, which includes the Scottish sites connected to the distribution network, including those holding BELLAs with the ESO holding TEC[NR10], providing similar information and maintained by National Grid ESO;
- The BEIS 'Renewable Energy Planning Database' which contains data scraped from various sources including planning applications;.

[2] BEGA – a bi-lateral embedded generation agreement allowing access to the transmission network for the purposes of market access or because a site interacts with the transmission network.
BELLA – need to check acronym!
[3] BEGA – a bi-lateral embedded generation agreement allowing access to the transmission network for the purposes of market access or because a site interacts with the transmission network.
BELLA – need to check acronym!

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- The Capacity Market Register maintained by the EMR Delivery Body (part of the ESO);
- Contracts for Difference maintained by the EMR Delivery Body; and
- Regional registers held by the DNOs.

1.8 The issue with the registers are:

- They are not a complete record of the number of~~s~~ sites, size, location, etc.;
- They are held in different locations;
- They are updated at different times; and
- None allow the ESO to track the actual operation of embedded assets by technology type.

1.9 The standardised register that results from this CP will provide much of the data covered by ~~be similar to~~ the above mentioned registers, however, it goes slightly further in the level of detail and also the agreed format of the data, giving a more complete view of the market and adding to the value the data will provide to all parties. The EDTF identified visibility of assets as a key improvement that was required in the market and the proposer identified the ESO's lack of data access as a major barrier to their role as the advisor to the government in setting the framework for policies such as the capacity market parameters. This CP seeks to specifically address these issues.

~~1.7~~1.10 T~~as t~~he ESO can already collect ~~some~~[LW11][NR12] ~~of~~ the data from sites connected to the Transmission System, due to their operation within the BM and as a result of their connection agreements. The ESO has suggested that once the content of the embedded capacity register is finalised, that they will review the registers they hold and would expect to make any required changes to align the information contained within those asset registers to align with the new embedded asset register.

~~1.8~~1.11 In the longer term ~~this~~ data held in the register could~~can~~ be expanded as part of the centralised energy data systems that the Energy Data Task Force is likely to recommend. It is also noted that the Open Networks Project has also been working on proposals for a System Wide Resources Register that includes the data in this CP, but also commercial services data and reinforcement works. Once the wider market has access to and experience of the register the parties may also have enhancements that they would like to see in future. Whilst it is not the intent of this CP to stop such developments, the Proposer believes the GB energy market needs at least this basic data within the next few months to achieve better whole system outcomes in a rapidly changing market.

2 Governance

Justification for Part 1 Matter

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2.1 DCP350 is considered to be classified as a Part 1 Matter, as it is designed to introduce a new requirement on network operators to share data that is not currently shared and this may potentially have a material impact on competition, notably in generation. It is for that reason that it is felt that the change should be provided to the Authority for final decision.

Requested Next Steps

2.2 Following a review of the Consultation responses, the Working Group will work to agree the detail of the solution for DCP 350 and if appropriate progress to the Change Report phase. The Proposer notes that the sooner this data is published the sooner that all parties will be able to benefit from it and in turn, the sooner the effects feed through to end customers and therefore have a strong desire to progress this CP in a timely manner.

3 Why Change?

General Background

3.1 The Proposer believes that the Government's policies around environmental goals, security of electricity supply, etc., will be more efficiently implemented if the ESO can undertake more robust forecasting and reporting on market changes to inform policy. The Panel of Technical Experts (PTE) has been disappointed by the ~~ESO's inability to get~~lack of data available to the ESO on embedded generation and it is their belief that this CP will help not only the~~m~~ ESO, but all market players and policy makers.

3.2 There is a market wide need to better understand the role of embedded sites, and that need is becoming increasingly urgent as embedded generation, storage and DSR in particular increases. The market is ~~obviously~~ in need of better data for forecasting, a fact the ESO acknowledges, but other parties are also becoming increasingly concerned by the lack of transparency in the market. For example, in Ofgem's charging review it has been~~it is~~ difficult for Ofgem to explore the ~~know if there is the~~ potential for renewables and conventional technologies to share capacity as the data on the capacity by region is not there and they have their own energy Data Exchange service.[DT13] Likewise, traders cannot see the volumes of different types of generation which may join the BM or TERRE in future. The market does not know the likely volumes that could access ancillary services market, the degree of competition for the provision of regional services, etc. The lack of data transparency is therefore limiting the ability of all actors to deliver the most efficient market outcome for customers.

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3.23.3 Given the limited availability of data, it is understood that the ESO has considered creating its own such register but has not yet done so[NR14]. Historically the ESO has created its own register using the limited data available to it. The quality of this register varies according to the datasets available and the recent closure of the Renewable Obligations and Feed in Tariff programmes have made this task substantially harder. The register also does not include all the data attributes that the ESO deems necessary to undertake its role in the most efficient and effective way. The proposer believes that the most efficient way to get the data is to require the DNOs to maintain the data for their own regions as they know what is connected to their own networks, they are the first port of call for new connection requests and parties are required to notify them of any site changes under the terms of their connection agreements. As the primary source of the data, it makes most sense that the DNOs take responsibility for creating and maintain the registers.

Change Proposal Background

3.33.4 The Proposer believes that distributors are the industry parties best placed to create these regional registers, and keep them up to date, giving a GB wide register that the market can rely on. The act of creating the registers will enhance their own knowledge of the customers on their networks, helping them to ensure that they have a detailed record of the sites on their own networks. It is expected that this will lead them to be able to use the data to inform their decisions aroundon reinforcements, better understand changes in system usage and identify parties to help them best manage their own businesses. With respect to DNOs specifically, where they are transitioning to DSOs, theyre will be a need to consider and choose the most economicaleconomically efficient solution between procuring new local services or reinforcing the network, and the data held in their register should enhance the performance of the DNOs now and in the future as DSOs.

3.43.5 As it is expected that data will be provided for both existing sites and those seeking to connect, it is recognised that the DNOs operate connection queues and individual connections can be interactive with each other. Therefore, the Proposer believes that it may be advantageous to find a way to show which prospective generators are interacting with each other. This may facilitate trading of capacity, creating co-located sites or better informing the location of new connection. Understanding more about system demand may also help inform the price control process run by Ofgem and help the DNOs identify areas where more reinforcement vs system management is needed.

3.53.6 The Proposer believes that there is a good case for requiring that the MPANs associated with each site are also disclosed to allow parties to extract maximum value from the data, such that the generation from each fuel type could be collected under the BSC and past to the ESO, BEIS and Ofgem to allow for easier monitoring of aggregate emissions which could inform wider policies. It is noted that MPANs are provided in the CM Register, and by the DNOs for EHV sites under their charging methodology, so for many sites this data is already public.

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3.63.7 As it is further proposed that the register will include data that identifies allEach technology types and locational information for each site, as there may be an added benefit to the ESO and/or Suppliers by being able to specifically view the location of renewable generation assets and linking this with say local weather forecasts as tool to understand expected output given the operation of some renewable technologies is weather dependent. Location is also key to those looking to examine new connection opportunities. To align data provisions across transmission and distribution it has been proposed that, as well as the address, an OS Grid Reference[LW15][NR16] is provided, as the CM Register already requires this data and more rural sites may be easier to locate.

3.73.8 To allow for time for the register to be set up, the proposal would be to initially set-up the register for all sites >1MW connection capacity (as it is believed this data should be easy to locate and transpose). An example of this is the work on the Loss of Mains Protection Settings, which should have resulted in the identification of the majority of embedded power stations, so there is a belief that creating an initial register should not be onerous nor take very long. It is also expected that some of the data should be easily found from other registers, such as the DNOs' charging systems, SVA data, capacity market registers, etc.

3.83.9 It is envisaged that over time the registers will capture sites of whose connection is <1MW in capacity, however, the Proposer has suggested that the Working Group may also decide that for smaller sites, for example domestic solar, it may be best to keep aggregate data[LW17][NR18] by post code or other defined area.

3.93.10 The CP requiresexpectation is that the registers would be made available in the public domain, which aligns with the approach used by the ESO's in publishing their registers. The Proposer notes that the DNOs do publish Long Term Development Statements (LTDS), these are password protected[NR19], and hold some of the information this CP seeks to include, but not enough sufficient information to be of value for the detailed forecasting that the ESO needs for its role in the CM. The Proposer does not support any password protection as that appears to create an unnecessary barrier to access.

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~~3.10~~3.11 Who owns the data needs to be considered in constructing the register, but the Proposer suggested that as connection agreements are held by the distributors that the data is theirs and they can therefore publish it, as the ESO does with the data they hold. For capacity market plant the majority of the data is on the CM Registers, so would appear to present no publication issues. MPANs are also held by other bodies, such as Elexon for energy settlement, and many sites will be on other registers such as the FIT register held by Ofgem. However, some DNOs have raised concerns over data protection and the working group understands that they have sought legal advice around this issue. The working group have asked the DNOs to share their legal advice. I~~f~~ ~~it~~ Ofgem felt it were necessary in approving this CP to hide some data until any data access issues are resolved, ~~deemed necessary~~ the registers may have to go-live with less data while any data ownership questions can be resolved[NR20], but publication of as much data as soon as possible is the key to delivering benefits as quickly as possible. The workgroup has had high level guidance from Ofgem that the data can be published.

~~3.11~~3.12 In order to make the embedded capacity registers as robust as possible, it is proposed that there is a mechanism which would allow for the any data errors to be brought to the distributors attention and an obligation on the distributor to make any corrections upon uploading the next version.

~~3.12~~3.13 ~~There is established e~~Economic theory ~~that~~ suggests allowing greater information transparency will lead to an increase in the effective use of resources and create a more efficient and competitive market. The more efficient the market is then the better the value it will deliver to customers. The Proposer believes that with greater information transparency, Ofgem and BEIS could potentially monitor the impact of, and where needed~~,~~ fine tune, their policies more easily to enhance the benefits for customers and the environment at a lower cost. With a target of net zero carbon by 2050 this data will provide a far better view of the uptake of technologies such as solar and changes in demand, for example as we see EV charging develop and uptake of storage technologies.

3.14 On a more microeconomic level, the Proposer believes that placing an obligation on network companies for the provision of certain data that is not currently openly shared will allow the correct de-rating of different technology types under the capacity market. At the current time ~~in~~ the ESO's modelling for the de-rating factors under the ~~and the~~ Capacity Market is limited by lack of data on the actual operation of the embedded generators, with a result that a TO connected 800MW gas plant has the same de-rating as a DNO connected 5MW gas fired generator. The ESO has suggested that the embedded, conventional plants probably should have high de-rating than their larger competitors, but it does not have the data to support a change. This may be resulting in the capacity market over procuring capacity at the expense of customers.

~~3.13 The creation~~ [LW21]~~and publication of an embedded capacity register might also act as mechanism to facilitate parties trading locally with each other, as well as assisting to inform investors about the assets that sit in a congested area (far more than a heat map can) and it will allow them to make an informed decision about whether to progress an investment.~~

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~~3.14~~3.15 Ofgem has always been keen that suppliers should be better at forecasting their own customers' output so that they self balance and reduce costs. Supplier balancing~~, which~~ includes the embedded generators, as the supplier balances at each GSP[NR22], and with additional data the suppliers ~~such that they~~ may be able to better understand the contracted background in any given area and use the data to inform their own forecasting. Reducing their imbalance exposure will reduce supplier costs and benefit customers. The suppliers may also be identify specific sites that could offer services to help them balance, for example customers with DSR capabilities who can help suppliers reduce their exposure to peak prices or help manage a system stress event. [DT23]

~~3.15~~3.16 For traders and wholesale market participants this data will also substantially improve their market knowledge, analytics and forecasting. They will know which~~at~~ assets can respond to price signals, the rate of deployment of specific technologies, etc. and this is expected to enhance competition and therefore improve the efficiency of the market.

~~3.16~~3.17 The Proposer acknowledges that there will likely be a cost associated with this CP but believe a solution could be achieved quickly and at a relatively low cost.[DT24] The Proposer asserts that the initial start up cost and then ongoing costs of keeping the register up to date will be outweighed by the benefits in economic and operational efficiency in the GB electricity market, which in turn will deliver benefits to customers. It is difficult to quantify the scale of the benefits, but as an example, were this data to show that the capacity market was over buying say 100MW and the clearing price was £25/kW then this would be a saving of £2.5m for customers. As the benefits are expected to be spread a wide variety of parties and decisions it seems likely that the scale of benefits will easily outweigh the minimal costs of keeping the registers updated.

Question 1 - Do you understand the intent of the CP?

Question 2 – Are you supportive of the principles that support this CP, which is to increase the availability of accessible data which is expected to improve the economic and efficient and operation of the energy market, while driving towards a lower carbon economy?

4 Working Group Assessment

DCP 350 Working Group Assessment

4.1 The DCUSA Panel established a Working Group to assess DCP 350. This Working Group consists of representatives from DNOs, Suppliers, IDNOs and National Grid Electricity System Operator (NGESO) as well as observers from Ofgem and BEIS. Meetings were held in open session and the minutes and papers of each meeting are available on the DCUSA website – www.dcusa.co.uk.

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4.2 Each Working Group is required to agree to work to the general Terms of Reference (ToR) set by the Panel, however, additional items may be included by the Panel during their initial assessment of the CP. It is noted that during their initial assessment of DCP 350, the DCUSA Panel agreed that in addition to the standard ToRs, the Working Group is required to consider and report on the following specific areas:

- A workstream under the Open Networks Project being facilitated by the ENA have been reviewing something similar and therefore the Working Group should engage with ENA on the relevant workstream to ensure that work isn't duplicated.
- Some of the information being considered for the register could be private/confidential in nature and appropriate legal advice should be sought.
- Consideration is to be given to the governance arrangements with respect to how the structure of the register is maintained and how and when it is updated.

4.3 The Working Group developed this consultation document to gather information and feedback from market participants on the CP.

4.4 Following the initial meetings of the Working Group, it was agreed that the proposed solution set out in the CP form should be further developed. In undertaking this development, the Working Group split out x components of the CPs[LW25][DT26], being:

- The exact items to be contained in the ECR;
- The definitions of each of the items in the ECR;
- The format used to publish the ECR;
- The location(s) where the ECR is to be made available;
- The frequency by which the ECR is to be updated;
- The governance arrangements needed to ensure the ECR is populated in a consistent manner and a mechanism to allow for amendments to the structure of the ECR; and
- Data privacy interactions.

The exact items to be contained in the ECR

4.5 The Working Group discussed the data items which the Proposer had specified within the CP form during which the group agreed that they were comfortable with all but three of the data items being included. The three data items that some Working Group members raised concerns over were:

- Customer Name (meter registrant);~~:~~
- Project Name (power station/customer name); and
- MPAN.

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4.6 It was noted that the main concern related to whether publishing data such as customer name and/or MPAN would result in DNOs ~~violating~~being in breach of Section 105 of the Utilities Act 2000[4]. The Secretariat explained that consideration will also need to be given to any GDPR related matters, especially if a single register is to be published on ~~the DCUSA~~ a public website. The Working Group's deliberations and the resulting conclusions on both topics are set out in paragraphs x.x to x.x [DT27]below. Subsequent to the Working Group's conclusions as to whether the aforementioned items can be included in the register, they agreed that the Embedded Capacity Register will include the following items: [DT28]

- Name of holder of the connection agreement;
- Project Name (power station/customer name[DT29][LW30][NR31]);
- Connection Site (local substation name, local GSP, local BSP [DT32]and Ordnance Survey (OS) Grid Reference)[DT33];
- MW Connected (current connection capacity – size of physical connection rather than export/import rights);
- MW Capacity (current capacity rights – to use the network);
- MW Increase / Decrease[NR34] (expected increase/decrease – i.e. where a site is altering a capacity right or is a new site not yet commissioned);~~–~~
- MW Total (export and import capacity to be held at a date in time);[NR35]
- MW Effective Date (date the site goes live/expected to go-live/capacity changes);
- Whether network reinforcement is needed (including (DNO or SO) reference number and position in connection queue);
- Project Status (scoping, awaiting consent, consented, live, terminated, interactive, etc.);
- Host DNO (which DNO) or~~d~~ IDNO[DT36][NR37];
- ~~Plant~~Technology Type (CHP, CCGT, solar, wind, storage, etc.);
- Resource type (e.g. Solar, Wind onshore, Hydro pumped storage, Biomass, etc.);[NR38]
- Type of service provided (e.g. FFR, STOR, CM, BM, Ancillary which includes (DNO or SO) reference number);
- ~~MPAN;~~
- ~~Project ir site name;~~[NR39]
- Type of connection [DT40](firm, non-firm, shared); ~~and~~

[4] http://www.legislation.gov.uk/ukpga/2000/27/section/105?timeline=false

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- Licence area[DT41][LW42] (DNO, IDNO); and.
- MPAN

4.7 The Working Group is seeking industry views as to whether there is support for the inclusion of the data items that the Working Group have decided should be included in an ECR. They would also welcome views on whether other data fields should be included either now or in the future.

Question 3 – Do you agree with the data items that the Working Group have decided should be included in an ECR? If not, what items would you remove/add and why?

The format used to publish the ECR

4.8 The Working Group considered the Proposer's view as set out within the CP form, which was that the ECR is to comply with best practice regarding accessibility and the use of widely used or open formats. During this discussion a number of options were considered with respect to the publication of a national register which would be published on a third-party website.

4.9 However, as detailed in Section 5 below, the Working Group agreed that with the ongoing industry work related to a common data platform, that this change would place an obligation each distributorDNO[NR43] to populate and publish the standardised register in their region and to between them create a nationwide register to be published on a common platform.. Given the nature of the format envisage for the longer term, this is likely to be an interim step towards something based on using an existing industryIT based platform solution, it was decided that in the meantime that the register would be set up in excel format and published in the same format by all DNOs. [DT44]

Question 4 – Do you agree with the format chosen by the Working Group for publishing the ECR?

The location(s) where the ECR is to be made available[DT45]

4.10 The Working Group considered the Proposer's view as set out within the CP form, which was that the ECR is to be made available on the public facing pages of the DCUSA and/or ESO website (the Public Pages) that are accessible by all. During their discussions on this topic, a number of other suggestions were made, including that the DNOs publish an individual ECR on their own websites or that a combined ECR could also potentially be published on the website for BMRS, the ENA or the Office of National Statistics.

4.11 The Working Group noted that Ofgem provided a view with respect to who should publish the data which was as follows:

> *"We also are of the opinion that it is most appropriate for the DNOs themselves to publish the data online in a consistent format which can then be consolidated by a Third Party (eg ESO) for analysis purposes. Having ESO or another Third Party publishing the data adds another layer of complication which we feel is unnecessary."*

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4.12 The Working Group discussed Ofgem's view with respect to the publication of a national register by a third party data and concluded that whilst ideally a combined register would be of most use to all market participants, the most expedient solution is for each distributor to publish their individual register on own website. It was also agreed that the registers are to be made publicly available, and in the standardised format such that they may be easily amalgamated together.

~~4.12~~ The proposal would be to set a sunrise clause[LW46][NR47] by which time the DNOs must achieve a national database on an agreed platform.

Question 5 – Do you agree with the proposal that each distributor is to publish a populated version of the common ECR on their individual website?

Should the ECR be made publicly available on their websites? If not, then please explain why not.

Whichever way you answer, the Working Group would appreciate if you could provide any rationale for your choice.

The frequency by which the ECR is to be updated

4.13 Within the CP form, it was proposed that the ECR be updated by each DNO not less than weekly if there are changes to be made. The Working Group discussed this, with some members pointing out that a 'not less than weekly' update regime would potentially be quite onerous and may require a dedicated person to be employed on that basis.

4.14 To understand the frequency on which the ECR should be updated on, the Working Group agreed that it would be beneficial to know how many new connection / alteration requests are received by DNOs and IDNOs each week/month. It was agreed that a sample from within the group would be sufficient and that a wider RFI was not needed and as such, one DNO member and one IDNO member sought confirmation from with their businesses.

4.15 The information obtained by the IDNO member noted that they have an average of one per month having taken account of the requests they'd received over a period of couple of years.

4.16 The information obtained by the DNO member noted that across their licence areas they have a weekly average of 0.185 new Connection Agreements for export customers with a connection capacity greater than 1 MW, which equates to a 0.79 on a monthly basis and 9.5 annually. The member also confirmed they have a weekly average of 0.32 requests for amendments to connection agreements for export customers with a connection capacity greater than 1 MW which equates to 1.39 on a monthly basis and 16.75 annually. [DT48][LW49]

4.17 Given the above, the Working Group agreed that distributors should update the register on a monthly basis and as such, are seeking views from industry as to whether they agree with the Working Group's proposal.[DT50] It was noted that the updates should be done by all DNOs on the same date so parties using the register know at one point the update has occurred and how out of date the register may be.[NR51]

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Question 6 – Do you agree with the proposal to mandate that the ECR is to be updated on a monthly[LW52] basis?

The governance arrangements needed to ensure the ECR is populated in a consistent manner and a mechanism to allow for future amendments to the structure of the ECR[DT53][LW54][NR55]

4.18 To ensure the each register is consistent in its format and equally that it is populated using a consistent/common approach by all distributors, the Working Group agreed the need for a set of rules and definitions to be created, It was agreed that overarching design and formal rules/obligations should be set out within the legal text and items such as the specific fields and their definitions should be maintained outside of the DCUSA text and potentially within the register so that they can be amended without the need for a CP to be raised. It was also agreed that the specific fields and their definitions are to be referenced by distributors when populating the register to ensure consistency and for interested market participants to be able to understand the data contained in the register.

4.19 It was agreed that a process [LW56]by which updates can be made to the template register would also be needed and that this process can be controlled by the Panel who'd review any request to alter the content as the market develops. i.e. a new technology joins the market. The draft legal text for DCP 350 is provided as Attachment X and contains the process by which proposed amendments can be put before the Panel, by any party, who will determine whether or not to accept the requested amendment and the how this is communicated to distributors and the wider market.

~~4.19~~ As well agreeing items to be added to the register, the Panel would agree the timetable by which additions should be added. This may be very quickly or may require consultation with the market to agree the definitions of the items to be added. It is vital that the market understands what each data item is, as common understanding will improve competition.

4.20 The Working Group proposes that the following items[LW57] should be also be included in the register[LW58] and thus stipulated in the legal text:

(a) Contact details for each DNO so that a site which believes its details are incorrect can contact for a correction;

(b) A date to show when the register was last updated[LW59][NR60]

(c) Links to maps for each DNO region so that parties can identify regions referred to;

(d) Links to each DNO's heat map;[LW61][NR62]

(e) To avoid any doubt as to the reasons a field may be left blank, an instruction that the words 'data not available' are to be used where data is not held for a specific field against a site.

Question 7 - Do you believe that the governance arrangements proposed by the Working Group as to how the ECR is populated will lead to DNOs updating it in a consistent manner?

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Question 8 - Do you agree with the Working Group's proposed mechanism to deal with future amendments to the structure of the ECR?

Data privacy interactions

4.21 As noted under paragraph x.x above, the Panel requested that in addition to the standard ToR, that the Working Group consider[LW63] and report on three specific areas, which included seeking appropriate legal advice with respect to some proposed items to be included in the ECR that could be private/confidential in nature.

View provided by Ofgem

4.22 The Working Group noted that Ofgem and BEIS have recently been undertaking a number of initiatives related to data and the need for industry data to be more open and transparent. With this understanding, the group sought feedback from Ofgem as to a view of how Distributors might be able to publish data that would otherwise be prohibited by Section 105 of the Utilities Act. The following advice was provided by Ofgem:

1) *DNOs have an existing obligation to develop and maintain an efficient, co-ordinated and economical system of electricity distribution. If they deem (or others deem) that publishing the connection data is required to achieve this then they should do so.*

2) *There is currently nothing in the licences/codes that specifically addresses the publication of the capacity data on embedded sites. Therefore, appreciating the concerns around publishing the data without a code mod obligating the DNOs to do so, a code mod is being progressed to bring clarity. Once this DCUSA requirement on DNOs is in place, then this would address legal risks associated with sharing customers' data as they have an obligation under their licence to comply with DCUSA.*

3) *Furthermore, we would encourage all DNOs to write or otherwise communicate with users/ connectees in due time (eg 3 months) prior to publishing their data as a courtesy and responsible holder of currently confidential data. This will allow users who do have specific concerns to come forward and raise them (beyond the DCUSA consultation process), make business preparations or raise individual requests for redaction.*

4) *If it cannot be justified to publicly share all of the data in the embedded register for the development and maintenance of an efficient, co-ordinated and economical system but it does need to be shared with the ESO, then we would encourage this 'two tier' treatment of the data.* [DT64]

5) *Ofgem summarised their advice by stating that they feel the DNOs can justify publication of this data under current legal frameworks but encourage the progression of the DCUSA CP to put in place obligations to do so and for DNOs to be conscious of their responsibilities as custodians of this data and communicate with data owners in a suitable manner.*

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Advice obtained by DNOs

4.23 XX[DT65]

Question 8 - Do you believe that the Working Group has sufficiently covered off concerns related to data privacy? And if not, then what else do you consider that Working Group needs to do?

5 Code Specific Matters

Consideration of related industry workstreams

5.1 The Working Group discussed how this CP crosses over with a number of ongoing industry workstreams, noting that there are some are directly related to this CP and some others designed to facilitate possible enduring solutions. In developing this CP, the Working Group has, where possible, maintained consistency with the other ongoing workstreams.

5.2 Both the Open Networks Project and Energy Data Task Force are looking into this issue. However, the PTE believes there is now a pressing need to start to make progress on creating a register as the Capacity Market in particular needs more robust forecasting on embedded plant to deliver the policy intent. The Proposer has liaised with both these groups and they see no reason that their work could not build on this proposal in future. The Proposer has also spoken to those working on the Open Networks proposal and they were supportive of the principles behind the CP as it builds on work they DNOs have been doing on regional registers.

5.3 This is an issue that is often discussed in relation to the ESO's forecasting role, with National Grid planning to deliver such a register itself under its ESO Ambition Document, as well as mentioning the need for such data in documents such as its Forward Plan – see: https://www.nationalgrideso.com/document/141256/download

https://www.nationalgrideso.com/about-us/business-plans/forward-plans-2021

5.4 The Government's Panel of Technical Experts, for the past few years, has also recommended that the ESO gets better data on embedded power plants in order to improve the forecasting underpinning the capacity market:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/723234/Panel_of_Technical_Experts_2018_Report_on_the_ECR.pdf

5.5 The Open Networks Project has a workstream looking at a System Wide Resources Register (product 8) the details of which are here:

http://www.energynetworks.org/electricity/futures/open-networks-project/open-networks-project-workstream-products.html/workstream-1-t-d-process.html

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The Energy Data Task Force is also looking across industry data:

5.6 https://es.catapult.org.uk/impact/specialisms/energy-data-taskforce/

Consideration of DCUSA[DT66] provisions related to information and data sharing

5.7 The Working Group noted that there are a number of clauses within the DCUSA that relate to a Party's ability to share information and/or data as well as specific provisions around General Data Protection Regulation (GDPR). Following a review of the clauses in question the Working Group…[DT67]

5.8 Further to the above, a member of the Working Group highlighted their view that to improve the transparency to customers about how their data may be used, they propose an update is also useful to the National Terms of Connection to aid transparency. Specifically, the member proposed a new paragraph 25.5 (of the National Terms of Connection) that allows for explicit consent [LW68]to publish their data when it supports the DCUSA objectives.

5.9 The Working Group considered whether such a change could either form part of the development of DCP 350 development, or if a new complementary change proposal should be raised. The Working Group agreed that…[DT69]

6 Relevant Objectives

Assessment Against the DCUSA Objectives

6.1 For a DCUSA Change Proposal to be approved it must be demonstrated that it better facilitates the DCUSA Objectives. There are five General Objectives and six Charging Objectives. The full list of objectives is documented in the DCUSA.

6.2 The Proposer considers that the following DCUSA Objectives are better facilitated by DCP 350.

DCUSA General Objectives	Identified impact
1. The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	Positive
2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity	Positive
3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	Positive

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4. The promotion of efficiency in the implementation and administration of the DCUSA	None
5. Compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None[LW70]

6.3 The rationale provided by the Proposer set out in the CP form, provided as Attachment 2 is detailed below.

6.4 The provision of robust, transparent data on the number, size, types and location of embedded market participants will help in the development and operation of a more competitive and economically efficient market. This will help policy makers design ~~"better"~~more effective policy~~y~~ies and drive market developments to deliver secure, economic supplies~~the best deal~~ for customers as well as meeting wider Government targets. It will help inform forecasting and future planning of system developments by the ESO and~~,~~ DNOs. Inform forecasting of~~,~~ Suppliers and contracting and operations by other participants. It will also help investors to reach decisions on location, technology choices, etc., helping to inform market entry and exit in a more efficient manner.

6.5 By improving transparency and market knowledge, the GB electricity market can operate more efficiently which will ultimately benefit customers. The modification therefore better fulfils objectives 1, 2 and 3.

Question 10 – Do you consider that DCP 350 better facilitates the DCUSA General Objectives?

If so, please detail which of the General Objectives you believe are better facilitated and provide supporting reasons.

If not, please provide supporting reasons

7 Impacts & Other Considerations

Significant Code Review Impacts

TCR SCR Interaction

7.1 [WG to consider]

~~7.1~~ Ofgem is currently undertaking a Targeted Charging Review (TCR) and a Significant Code Review (SCR) around access to and charging for networks. One of the issues Ofgem has faced has been the limited accessible and transparent data on the number and types of assets connected across the DNO networks. Creating the register may enhance Ofgem's access to data and in future inform any further enhancements to the new regime.

Electricity Network Access and Forward-Looking Charging Review SCR Interaction

7.2 [WG to consider]

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Other SCRs

7.3 [WG to consider]

Impacts on other Industry Codes[DT71]

7.4 It was brought to the Working Groups attention that during a meeting of the ENA ON WS2:P1 working group, a concern was raised based on legal advice provided by one of the DNOs, which relates to a potential need for a change to the Distribution Code. The clause of concern in the distribution code is DIN6 of the Distribution Code which states:

"CONFIDENTIALITY

The Distribution Code contains procedures under which the DNO's Distribution Business, in pursuance of its obligation as a DNO, will receive information from Users relating to the intentions of such Users. The DNO shall not, except in pursuance of specific requirements of the Distribution Code, or as required by other energy market code,[LW72][NR73]*, disclose such information to any User or other person without the prior written consent of the provider of the information, subject to the requirements of the Distribution Licence (Condition 39)."*

7.5 [WG to provide view [LW74]as to the interaction]

Environmental Impacts

7.6 In accordance with DCUSA Clause 11.14.6, the Working Group assessed whether there would be a material impact on greenhouse gas emissions if DCPs 350 were implemented. The Working Group ~~did not identify any material impact on greenhouse gas emissions from the implementation of this CP.~~ considers that transparent information on the assets connected to the DNOs will allow more dynamic monitoring of the uptake of renewable technologies in particular. This will allow the Government to fine tune their low carbon policies as they move towards achieving net-zero carbon.

~~7.6~~ Were the register to be enhanced by providing information about smaller connections, albeit on an aggregated basis, this could also deliver data on take up of EVs, moves to electric heating and other polices that the government may deploy in future. There have been a number of times when the Government has found policies have resulted in faster uptakes of technology than expected, for example the changes in the FITs policy, where being able to fine tune a policy earlier may have resulted in better value for customers.

Engagement with the Authority

7.7 Ofgem has been fully engaged throughout the development of the CPs as an observer of the Working Group.

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8 Implementation

8.1 The Proposer notes that the PTE would like to see the ESO have access to this data as soon as possible, with even more detail on the larger sites by December 2019 being an improvement on where the market currently is. It is expected that this is a product that will develop over time, but if the DNOs could harvest existing data by late this year it would improve the ESO's forecasts for the next Electricity Capacity Report to the Secretary of State next summer.

8.2 It is proposed that this CP should be implemented in the DCUSA release scheduled for 27 February 2020, which would be the next scheduled DCUSA release following Authority approval.

Question 11 – Are you supportive of the proposed implementation date of 27 February 2020?

9 Legal Text

9.1 The legal text for DCP 350 is provided as Attachment X.

9.2 The legal text sets out that each DNO will build and maintain an ECR [LW75]covering their licence area(s) alongside the governance arrangements needed to ensure the ECR is populated in a consistent manner and a mechanism to allow for future amendments to the structure of the ECR.

9.3 The detail around the specific items to be contained in the ECR and the definitions of such items will be referenced within the ECR itself and not in the DCUSA, thereby enhancing the ability to modify the ECR without the need to raise a CP to do so.

9.4 [Working Group to confirm approach to enact the above paragraph (e.g. will it be by use of guidance notes with the ECR or on the associated page on websites)] [DT76][LW77]

Question 12 – Do you have any comments on the draft legal text for DCP 350?

10 Consultation Questions

10.1 The Working Group is seeking industry views on the following consultation questions:

No.	Questions
1	Do you understand the intent of the CPs?[DT78]
2	
3	
4	

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10.2 Responses should be submitted using Attachment 1 to dcusa@electralink.co.uk **no later than, close of play on DD MONTH 2019**.

10.3 Responses, or any part thereof, can be provided in confidence. Parties are asked to clearly indicate any parts of a response that are to be treated confidentially.

11 Attachments

- Attachment 1 – DCP 350 Consultation Response Form
- Attachment 2 – DCP 350 Change Proposal Form
- Attachment 3 – DCP 350 Example ECR
- Attachment 4 – DCP 350 Draft Legal Text
- Attachment 5 – x

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