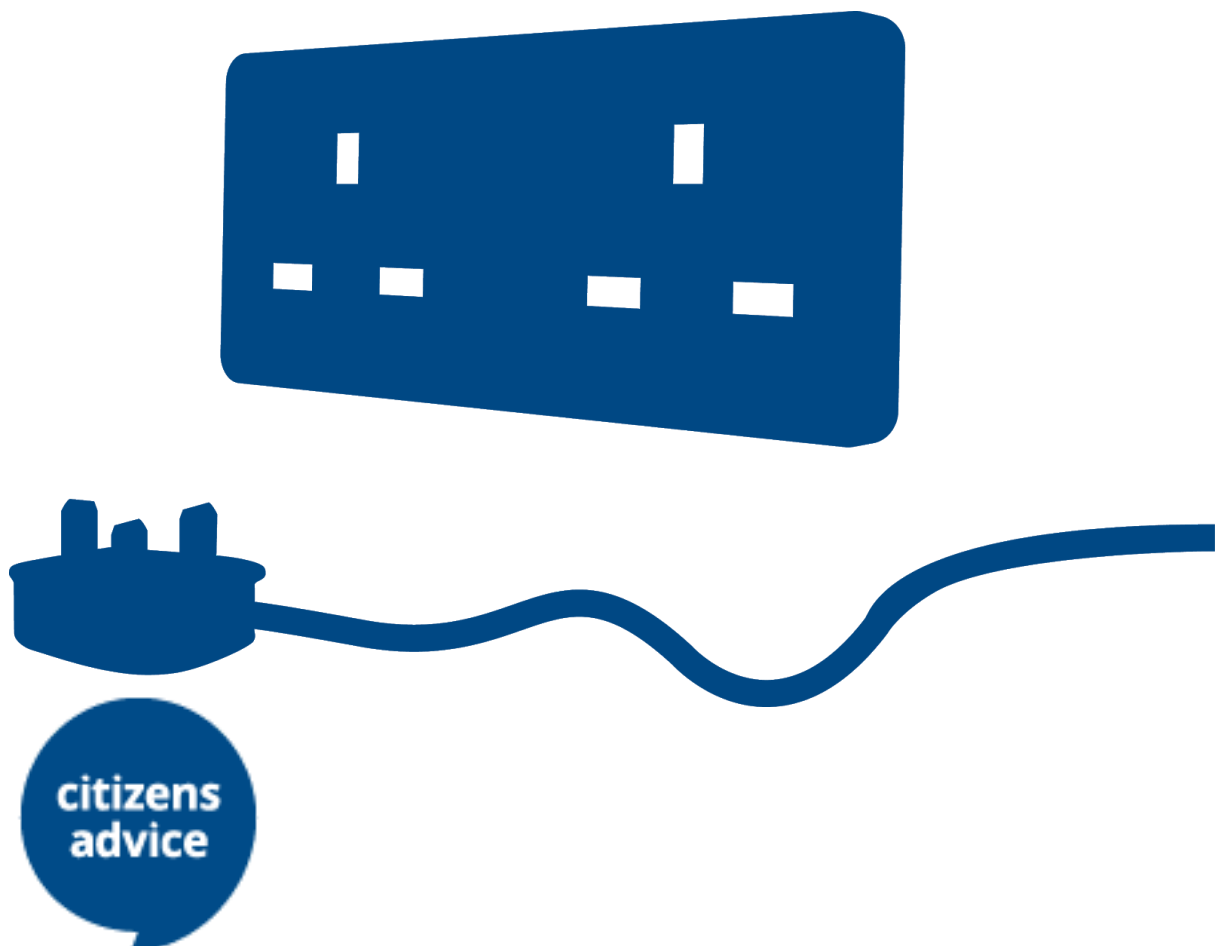


ENA Open Networks Project 2021 Project Initiation Document consultation

Citizens Advice submission
February 2021



Citizens Advice welcomes the opportunity to respond to this consultation as part of its statutory role to represent domestic and small business energy consumers in Great Britain. Our response is not confidential and may be freely published.

Introduction

The ENA Open Networks project is an important part of the low carbon energy transition of Great Britain in helping to drive and coordinate the changes that are required by the gas and electricity network companies to facilitate net zero. Citizens Advice supports the work of the Open Networks project via our membership of the ENA Open Networks Project Advisory Group and in responding to the Open Networks project's consultations. We have recently provided the following consultation responses which incorporate our views on the priorities for the Open Networks project and on related issues such as Ofgem consultations on Distribution System Operation (DSO) or RIIO-ED2:

- Response to the ENA Open Networks Flexibility Consultation, October 2020¹
- Response to the ENA consultation on the Queue Management Process Guide², June 2020
- Response to the ENA Open Networks PID, February 2020³
- Response to the ENA Open Networks Flexibility consultation, August 2019⁴
- Response to the Ofgem RIIO-ED2 Sector Specific Methodology Consultation, October 2020⁵
- Response to the Ofgem Distribution System Operation (DSO) key enablers consultation, February 2020⁶
- Response to the Ofgem DSO Position Paper, October 2019⁷

We welcome the continued focus on openness and transparency of the Open Networks project through its consultation processes, its meetings and webinars, and in its publications surrounding individual workstreams.

¹ Citizens Advice, [Response to ENA Open Networks Flexibility Consultation](#), October 2020

² Citizens Advice, [Response to the ENA consultation on the Queue Management Process Guide](#), June 2020

³ Citizens Advice, [Response to ENA Open Networks PID](#), February 2020

⁴ Citizens Advice, [Response to ENA Open Networks Flexibility consultation](#), August 2019

⁵ Citizens Advice, [Response to the Ofgem RIIO-ED2 Sector Specific Methodology Consultation](#), October 2020

⁶ Citizens Advice, [Response to Ofgem Key enablers for DSO programme of work and the Long Term Development statement consultation](#), February 2020

⁷ Citizens Advice, [Response to Ofgem Position paper on Distribution System Operation: our approach and regulatory priorities](#), October 2019

The ENA Open Networks project will need to ensure that its workstreams move at pace to accommodate and progress developments in the transition, including ensuring that the project links with BEIS and Ofgem developments. For instance, the ongoing Ofgem electricity distribution price control process (RIIO-ED2) is of high relevance. The Open Networks project will need to be reviewed to ensure that the new DSO Roles and principles⁸ outlined by Ofgem in the ED2 Business Plan Guidance are taken into account within the workstreams. We have highlighted below one particular aspect of the DSO roles and principles that appears to be omitted from the current Open Networks project workstreams.

Energy efficiency

The new Ofgem DSO roles and principles (Role 1, Activity 1.2) expects Distribution Network Operators (DNOs) to “consider flexibility and promoting energy efficiency in addition to innovative use of existing network assets and traditional reinforcement”.⁹ The ENA Open Networks project should be used to assess the options for energy efficiency and their delivery, how energy efficiency can be valued, and aid in the development of a comprehensive Cost/Benefit Analysis tool to compare energy efficiency as an option against flexibility or reinforcement. We understand that this is a relatively new and developing area for the DNOs and we believe that the ENA can play a coordinating role in understanding how energy efficiency can play its part in the transition to net zero. **We would recommend that an energy efficiency workstream is developed in response to these new DSO requirements.**

The needs of consumers that may have greater risk of detriment, disadvantage or harm should also be considered within any new energy efficiency workstream as energy efficiency could have greater positive impacts for those on low incomes, the older person, or those with illnesses or disabilities. As with the ENA Flexibility workstream, it will be valuable to have consultation with stakeholders and third parties to gather wide views and understand options, including the role that third parties could play.

Flexibility services

As this market continues to develop and opportunities emerge for smaller groups or individuals to contribute to flexibility and aggregation, the continued

⁸ Ofgem, [RIIO-ED2 Business Plan Guidance, DSO Roles and principles](#)

⁹ Ofgem, [RIIO-ED2 Business Plan Guidance, DSO Roles and principles](#), Role 1, Activity 1.2

high level of focus by the ENA Open Networks project on flexibility services is warranted.

We welcome the work to lay down principles for the review of legacy Active Network Management (ANM) curtailment contracts which have been identified as potentially impeding future flexibility markets. We note the consultation on the subject which is scheduled for September 2021 and we look forward to contributing to that consultation and also seeing the views of other stakeholders. **We recommend that cost recovery methodologies for any renegotiation of legacy ANM contracts should be transparent and open to stakeholder input.**

Flexibility markets

The continuing work to facilitate flexibility markets, including peer-to-peer trading, is welcomed including the planned development of market simulations and common methodologies across the DNOs. There needs to be continued urgency to facilitate these markets to enable a deep and wide flexibility resource enabling an electricity system that manages demand and supply in a more coordinated and efficient way.

Future Energy Scenarios (FES) and central scenario

We welcome the development of a central/best view scenario to assist in underpinning the DNOs' Network Development Plans and in forecasting for their business plans. We note stakeholder engagement is planned for later in 2021 on the topic, which we support. Establishing consistent methodologies and principles of best practice for the Network Development Plans are welcomed given the past variability in the methodologies used in the development of DNOs' Distribution FESs for RIIO-ED2.

Data and network visibility

We note the continued focus upon the needs of connections customers and wider stakeholders to access data to identify opportunities. Data will also be used by stakeholders to develop flexibility portals and markets including secondary markets (peer-to-peer trading) and is therefore an important aspect of the ENA Open Networks project. We welcome the new workstream on 'Operational DER visibility and monitoring' to facilitate the situation where

customers may be supplying services to both DNOs and the Electricity System Operator (ESO).

Consumers in vulnerable circumstances

We note the DSO workstream has an ongoing sub-workstream for 'Potential Conflicts of Interest and Unintended Consequences'. While the information on this topic is available for review or further input by the other workstreams and wider stakeholders, we are concerned that this vital part of the Open Network's project could be overlooked as there is no plan for any active development in this area during the coming year. **We recommend that this workstream is actively reviewed in 2021 and that the ENA Safeguarding Group is invited to contribute (among other stakeholders)** given this forum's wide energy network industry knowledge of consumers at greater risk of harm, detriment or disadvantage. **We recommend that the workstream be widened to consider how the Open Networks project workstreams can be used to positively address the needs of those in vulnerable circumstances including ensuring that all groups benefit in the transition to net zero.** For useful reference material, see our report 'Zero sum: How to prioritise consumer protections to ensure nobody is left behind on the path to net zero'¹⁰, and the Centre for Sustainable Energy project 'Smart and Fair'¹¹.

Communications and stakeholder management

We support the stakeholder engagement to date and recognise the efforts taken by the Open Networks project in continuing consultations, webinars and engagement during the COVID-19 pandemic to move the project forward without delay. We have the following comments on the stakeholder engagement plan:

- Breakfast meetings or private dinners may not be inclusive for those with young families or other caring responsibilities and **we recommend moving such meetings to more accessible times.**
- **Engagement with Community Energy Forums is welcomed** especially given the greater role that these groups may play in the development of Local Area Energy Plans (LAEPs) and in providing local generation and flexibility resources.
- The developing plan to engage with stakeholders on the ANM and Flexible Connections topic is welcomed so that stakeholders will feed into the

¹⁰ Citizens Advice, '[Zero sum: How to prioritise consumer protections to ensure nobody is left behind on the path to net zero](#)', January 2020

¹¹ Centre for Sustainable Energy, '[Smart and Fair](#)' project

review of legacy contracts. The DNOs' contacts with their existing ANM and Flexible Connections customers should be used to reach out to the users of these contracts to feed into consultations. **The implications of such legacy connections and the potential future opportunities of any revision of such contracts should be clearly explained so that stakeholders fully understand the issues.**

The topics covered by the Open Networks project may not be readily accessible to everyone, but we encourage and support ways to engage the wider public such as the ENA recent video on 'Flexibility services, be more beaver'.¹²

¹² ENA , Youtube [Video on Flexibility Services](#)

Free, confidential advice. Whoever you are.

We help people overcome their problems and campaign on big issues when their voices need to be heard.

We value diversity, champion equality, and challenge discrimination and harassment.

We're here for everyone.



citizensadvice.org.uk

Published February 2021

Citizens Advice is an operating name of The National Association of Citizens Advice Bureaux.

Registered charity number 279057.