

## Power Potential Regional Market Advisory Panel

Outcomes, 22<sup>nd</sup> February 2018

### Participants:

Panel Chair	Dame Fiona Woolf	Chair, Regional Market Advisory Panel and Partner, CMS Cameron McKenna
Panel Members	Hanaé Chauvaud de Rochefort (on behalf of Caroline Bragg)	Association for Decentralised Energy
	William Kirk-Wilson (on behalf of Alice Fourier)	BEIS
	Alastair Martin	Flexitricity
	Fruzsina Kemenes	Innogy
	Ian Larive	Low Carbon
	Edwin Tammam-Williams (on behalf of Louise van Rensburg)	Ofgem
	Alex Howard	Origami Energy
	Sammy Blay	Reactive Technologies
Representing National Grid	Claire Spedding	Head of Business Development, System Operator
	Duncan Burt	Acting Director, System Operations
Representing UK Power Networks	Sotiris Georgiopoulos	Head of Smart Grid Development
Power Potential project team attendees	Dr Biljana Stojkowska Amy Boast Mike Robey	Project Lead Commercial Workstream Lead RMAP Secretariat

### Outcomes

<b>1</b>	<p><b>Project Objectives</b></p> <ol style="list-style-type: none"> <li>1. UK Power Networks and National Grid have joined together to develop and lead this exciting project between the System Operator, Distribution Network Operator and distributed energy resources (DER).</li> <li>2. The project partners believe this is world leading innovation because nowhere else in the world are the network operators joining together with the distributed energy resources to build a market to access their flexibility for voltage support.</li> <li>3. The partnership between National Grid and UK Power Networks is particularly valuable because the connection of distributed energy resources is growing rapidly in the South East region of the UK. There is also high interconnection with Europe, with the current interconnector capacity at 2GW in this region, expected to increase to 5GW in the future</li> <li>4. The Power Potential project could save consumers over £400m by 2050 and generate an additional 4GW of capacity in the South East region.</li> <li>5. What does success look like?             <ol style="list-style-type: none"> <li>a. Primary goal is to prove that distributed energy resources connected on the distribution network can help to resolve transmission voltage and thermal constraint issues.</li> <li>b. Secondly, the project wants to prove that this can be achieved through a market based solution rather than mandatory requirements placed on networks and distributed energy, which should ultimately prove more beneficial to consumers as it fosters innovation and competition.</li> <li>c. The project partners also want to demonstrate proactively how networks and distributed</li> </ol> </li> </ol>
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	energy resources can work together across the whole system to achieve the best outcome for the consumer.
2	<p><b>Regional Market Advisory Panel questions and challenges</b></p> <p>The Advisory Panel raised several considerations for the project team to enable the project's success including:</p> <ol style="list-style-type: none"> <li>1. The strength of the commercial proposition: particularly convincing DER to participate in a trial which is only a year long.</li> <li>2. The benefit of providing prospective participants with visibility of longer terms needs for the services that will be trialled within the project in 2019.</li> <li>3. The need to identify regulatory rules which risk limiting the success of the project and to identify the panels governing these rules.</li> <li>4. Ensuring connection agreements are not a blocker to DER for participation in the trial.</li> <li>5. Including DER within the testing phase of the DERMS solution to provide early evidence that the service works to increase participants' confidence.</li> <li>6. How availability payments will be made (to cover any capital investment participants need to make) i.e. by bidding in each day or one payment for the trial duration.</li> <li>7. How Power Potential will consider issues such as constraints on the distribution network and significant events that may prevent DER participation.</li> <li>8. Clarity as to the technical communications signals the DER will receive from 'DERMS' (the Power Potential technical solution is named DERMS – Distributed Energy Resources Management System).</li> </ol>
3	<p><b>Terms of reference</b></p> <p>Discussion on scope "ensuring there are no unintended negative impacts on other services" and clarification made that the scope of the advisory panel is to consider "unintended consequences" more broadly as described in each of the bulleted points within the scope section of the terms of reference.</p> <p>Participants to contact and discuss with Fiona first if they are concerned that there may be a potentially commercial sensitive issue arising at a meeting.</p>
4	<p><b>Actions</b></p> <ol style="list-style-type: none"> <li>1. National Grid to circulate the System Operator's Forward Plan</li> <li>2. Project team to share details of the DER submissions received following the call for responses to the Heads of Terms document and technical characteristics submission spreadsheet at next meeting.</li> <li>3. Project team to share further details of the project plan at the next meeting to enable the Advisory Panel to monitor progress.</li> <li>4. Project team to articulate the different approaches for synchronous and non-synchronous DER participants.</li> <li>5. Project team to share further details of the trial design at the next meeting.</li> <li>6. Project team to share schedule of Regional Market Advisory Panel meeting dates, which will generally take place quarterly</li> </ol>
	<b>Next Meeting: Friday 9<sup>th</sup> March at 2pm</b>