‘Core Capacity’ research

citizens advice

Access and FLC Delivery Group
13th February 2019

Context

- We represent consumers as the statutory consumer body for Energy
- Our role is to carry out research and advocate on behalf of domestic and micro-business consumers
- We were part of the Access and FLC Task Forces
- We sit on the Access/FLC Challenge Group
- We sit on the Balancing Services Charges Task Force

1. Defining Core Capacity
2. Our research
3. What we've found so far…
4. How we expect to use this research to be utilised

Defining Core Capacity

> 3.4. We consider that reforms of this nature would offer good prospects of helping make better use of existing network capacity, supporting more effective competition between users and achieving a more efficient allocation of risk; leading to lower costs for consumers. Any reforms must also ensure that consumers, particularly those in vulnerable situations, have adequate network access that reflects the nature of electricity as an essential service.

Ofgem: Getting more out of our electricity networks by reforming access and forward-looking charging arrangements

1. **Is it possible to determine a, or a set of, common core electricity network capacity levels for domestic consumers and micro-businesses?**

1. **If so, what should the core level of access be set at?**

1. **How could this be implemented (technical or commercial solutions)? What are the barriers/risks to consumers, suppliers and networks?**

Our research

- We’ve commissioned CAG Consultants working with researchers from Reading University to attempt to answer those questions
- We’re working closely with Ofgem to ensure the research is as useful as possible

- Extensive literature review - international case studies
- Technical capabilities of SMART meters
- Modelling single core and multi-core capacity levels
- Trying to answer the question - what is ‘essential’?
- Publish findings in the Spring

What we've found so far...

- Capacity limits already exist:
  - Island of Eigg, Jersey, Romania, Italy, Portugal, Belgium, Netherlands, Sweden
- SMART Meter functionality
  - It is possible to configure SMETS1/2 meters to limit load - but they work slightly differently.
  - SMETS2 meters have more functionality - load control, twin element (circuit), maximum demand over 30 minutes
- There's a correlation between income and capacity usage (unsurprisingly)

How we expect this research to be used

- This is foundational research for the Small User element of the Access and FLC SCR

- We hope it will inform the future workgroup of what is possible and provide some insight of things to avoid

- **Discussion:**
  - Is this research focussed on the right areas?
  - What further topics/research/data might be useful to obtain ahead of the start of Small User workgroup?

Thank you

James Kerr
Senior Policy Researcher
james.kerr@citizensadvice.org.uk