Becoming a better buyer – an introduction to the Single Markets Platform
Single Markets Platform (SMP) is a key enabler of the decarbonisation of energy markets

**Access**

- SMP will provide frictionless access to ESO markets for a wide range of diverse participants
- Part of a wider strategy to utilise digital ways of working to make it easier to do business with the ESO

**Agility**

- SMP will enhance the ESO’s ability to enact change much faster, adapt and stand up new markets to meet the needs of the evolving market and operational context
Programme context

We are running a 16-week Foundational piece of work to ensure we have clarity on strategic direction and have the programme set up for successful delivery.

<table>
<thead>
<tr>
<th>Strategic Definition</th>
<th>Enablement</th>
<th>Mobilisation</th>
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</thead>
<tbody>
<tr>
<td>Defining the strategic intent for digital engagement and Single Market Platform</td>
<td>Deep dive into user journeys</td>
<td>Develop transition timeline and roadmap</td>
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<tr>
<td>Mapping the user ecosystem and needs including user research</td>
<td>Mapping internal business impacts</td>
<td>Regular review cadence to maintain alignment to strategic direction</td>
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<tr>
<td>Defining the scope and service descriptions for SMP and associated RIIO-2 use cases</td>
<td>Understanding required technology capabilities</td>
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<td>Ensuring internal alignment</td>
<td>Creating programme delivery approach, high level plan and roadmap</td>
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<td></td>
<td>Draft product backlog</td>
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<tr>
<td>Programmes strategy</td>
<td>A release roadmap for the programme delivery</td>
<td>Detailed user journeys</td>
</tr>
<tr>
<td>User research to highlight user needs and jobs to be done</td>
<td>A product backlog for the programme delivery</td>
<td>Agile approach to delivery seeking regular input from market participants</td>
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<tr>
<td>Service descriptions to highlight programme scope, interactions and dependencies</td>
<td>High level user journeys</td>
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<td>Wireframes</td>
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User Research
User research

Conversations were held with a range of users with diverse levels of exposure to NGESO services.

14 Hrs
of open exploratory User interviews with parties in the User Ecosystem

14 1-2-1 conversations
with a range of roles and varied levels of exposure to ESO services

Four themes came out of the User research

• Manage my portfolio… of assets
• Trade and deliver… to generate return on investment
• Get paid… on time and correctly the first time to generate cash flow
• Operational communications… in a timely and effective manner
“Joining markets took a long time… did not know what to do”

“I need a ‘to do’ list that simplifies what needs to be done”

“No repeated information should be needed for bids and tenders [you should know my assets already]“

It needs to be much easier to get set-up for ESO markets
Trade and deliver
... to generate ROI

“Shouldn’t have to provide surplus [or repeated] information… other info should be carried through from registration.”

“Weekly tender a lot of data… human errors error issue of ‘fat fingers’… a robust checking process needed”

“We expect human interaction by exception… we don’t expect to have to interact with it, it should be all automatable… [software doing the heavy lifting, humans moving to a supervisory level]”

I need trading to be optimised and automated
Get paid
... on time and correctly the first time to generate cash flow

“The impact of delays can be big enough for suppliers to go under.”

“One place to manage all your auctions for services, within that a list of the auctions you won… and live update of settlements (not monthly as today).”

I need to understand performance and be paid correctly and on time
“Different passwords, different logins, different emails, different communications, different days of the week…”

“It takes a lot of administration to oversee that.”

“I need query tracking and escalation routes to be clear”

I need the right advice at the right time
Feedback

We would like to have your feedback on the user research we have conducted.

- Do you have any specific reflections on these themes?
  - It needs to be much easier to get set-up for ESO markets
  - I need trading to be optimised and automated
  - I need to understand performance and be paid correctly and on time
  - I need the right advice at the right time
Single Markets Platform Scope and Prioritisation
SMP will not be developed in a bubble. We are conscious of associated developments with associated systems and services within NGESO, as well as the transition to whole system integration across the electricity industry.

### Change across ESO offering

<table>
<thead>
<tr>
<th>Single Market Platform</th>
<th>Connections</th>
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<tbody>
<tr>
<td>Auction capability</td>
<td>Code digitalisation</td>
</tr>
<tr>
<td>Charging and billing</td>
<td>Outage planning</td>
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<tr>
<td>Settlement</td>
<td>EMR</td>
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<tr>
<td>Balancing</td>
<td>Network control</td>
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<td>Open data</td>
<td>Data and Analytics Platform</td>
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### Change in balancing services

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<th>Response</th>
<th>Day Ahead</th>
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<tr>
<td>Reserve</td>
<td>Standardised</td>
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<tr>
<td>Reactive</td>
<td>Stacking</td>
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<tr>
<td>Constraints</td>
<td>Location</td>
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<td>Restoration</td>
<td>Baselines</td>
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### Changes in the wider landscape

[Diagram showing changes in the wider landscape]
Scope of SMP

SMP is a key enabler within RIIO-2 and interacts with wider ESO programmes and projects. It’s scope was discussed as part of RIIO-2.

SMP is a framework that will drive consistency in approach cross a number of different ESO markets:
- Ancillary services
- Electricity Market Reform* – Capacity Market and Contracts for Difference

SMP provides an end-to-end customer journey allowing users to access data and services through the following capabilities:

<table>
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<th>Market entry</th>
<th>Unit management</th>
<th>Participate</th>
<th>Contract management</th>
<th>Scheduling and Dispatch*</th>
<th>Performance monitoring</th>
<th>Payment</th>
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<td>Changes to unit registration</td>
<td>Tender submission</td>
<td>Contracts status</td>
<td>Unit reporting</td>
<td>Settlements*</td>
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<td>Framework agreements</td>
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SMP also interacts with wider programmes and projects.

Data and Analytics Platform*

The DAP is the building block of the ESO’s digital capability.

Balancing Programme*

Balancing Programme will transform scheduling and dispatch tools.

* - Integration with related systems development activity
Sequencing – Current direction of travel

We are in the process of developing our initial thinking on which services and capabilities will be transitioned to the foundation SMP. Prioritisation has been based on balancing the ease of implementation with maximum benefits for users.

Approach:
- Prioritisation of new ancillary services – to ensure that transition overheads are limited
- Prioritisation of foundation capabilities for the new ancillary services – to ensure a successful go-live

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Feedback

We would like to have your feedback on the direction of travel of SMP capability prioritisation

• What do you agree with about the prioritisation approach proposed and why?

• What changes would you make to the prioritisation approach and why?
Where next?
Agile, customer-centric approach

SMP will be delivered through an incremental iterative approach
- Build on the foundations and learning from day ahead response auction trial including log-in, provider information, automatic loading and bid submission via platform
- Work with end users to identify priority capabilities and functionality for development

Contact us: box.futureofbalancingservices@nationalgrideso.com