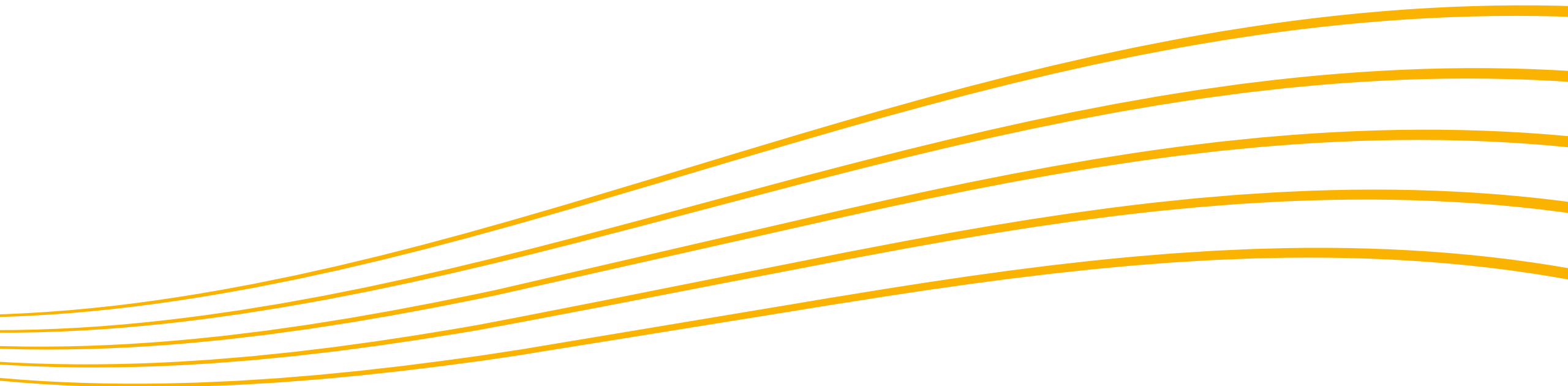


Bridging the Gap – Flexibility Timeline Tracker

June 2022



2022		2023		2024		2025	
Action	Notes	Action	Notes	Action	Notes	Action	Notes
2 Ensure funding is available to kick off projects (such as electrolysis, hydrogen storage and long duration storage).(BEIS)	CCUS: In summer 22, the outcome of Track-1 Phase-2 Cluster Sequencing will be published and the projects progressing to negotiations will be outlined. Updates on other funding not yet available.	1 <i>Develop strategic infrastructure plan, considering aspects such as colocation. (Gap: suggested: Ofgem)</i>	<i>Recommendation only</i>			3b Deliver strategic planning methodology to Ofgem (ESO - early 2023) and then develop a strategic network plan by 2025 (ESO/Ofgem)	Strategic network plan - dependent on delivery of first part of the action
4 Deliver Holistic Network Design recommending a coordinated onshore and offshore network for projects due to connect by 2030 (ESO, June 2022).	On track to publish the HND at the end of June.	3a Deliver strategic planning methodology to Ofgem (ESO - early 2023) and then develop a strategic network plan by 2025 (Ofgem)	Strategic network planning methodology: This is seeking to transform our planning processes to make them more strategic and aiming to deliver a network for net zero. We are developing the principles, and the methodology (2023) for a centralised strategic network plan to be in place for 2024 onwards				
5 Assess longer term capacity and operational needs to ensure 2035 decarbonised energy system will be adequate and resilient. (ESO)	ESO's study into capacity needs in 2035 is due for publication in June 2022. Operational needs assessment is an ongoing activity.						
6 <i>Plan to strengthen supply chains to ensure products and materials are available for investment to take place (BEAMA/DIT/BEIS/EIC)</i>	Was a recommendation. BEAMA and the Energy Industries Council are in discussions to establish an 'Electricity Supply Chain Council' as a sub-group to the wider UK Energy Supply Chain Taskforce. The first meeting of the Council is expected to take place in summer 2022.						

	not started		delayed
	behind		complete
	on track	<i>italic</i>	recommendation - not an action

bold font indicates a priority action

		2022
	Action	Notes
2	Deliver a four-year smart meter policy framework with fixed minimum annual smart meter installation targets for energy suppliers (beginning 1st Jan 2022) - (BEIS)	Action 1.1 from Smart Systems and Flexibility Plan (SSFP): policy framework introduced and now in place. Energy suppliers to continue to drive smart meter installations in homes and small businesses.
4	<i>Expand the energy ombudsman role to cover consumer data protection, equity, empowerment and privacy (Gap: Ofgem).</i>	<i>Recommendation only</i>
7	Accelerate the development of supply chains to achieve economies of scale and pass on cost reductions to consumers (including electric vehicles, heat pumps, micro generation and batteries). (BEIS)	The Automotive roadmap (Mar22) outlines joint government and industry commitments to achieve the decarbonisation of road transport. As part of the British Energy Security Strategy, BEIS has announced plans to launch a Heat Pump Investment Accelerator Competition worth up to £30m.
8	Work with industry to support the update of specifications and standards for energy smart appliances, to mandate interoperability of DSR-capable devices and to establish a technical framework for small-scale DSR (BEIS)	Action 1.2 from SSFP: plans to consult in 2022 on an appropriate regulatory approach for flexibility service providers and ESAs, to consider what legislative powers will be needed to implement any further requirements and standards.
9	Regulate energy smart appliances to set requirements underpinned by the principles of interoperability, data privacy, grid stability and cyber security (BEIS)	Action 1.3 from SSFP: PAS standards 1878 and 1879 introduced for heat pumps, household appliances, battery storage, EV chargepoints. Smart chargepoint regulations come into force June 2022
11	<i>Set up an agency to provide trusted guidance and advice to households in England and Wales about net zero (GAP: suggested owner: BEIS)</i>	<i>Recommendation only</i>

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	behind		complete
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*SSFP = Smart Systems and Flexibility Plan from BEIS and Ofgem

*PAS – Publicly Available Specifications from British Standards Institution

2023		2024		2025	
Action	Notes	Action	Notes	Action	Notes
1 Consult on appropriate technical and regulatory framework for devices and flexibility service providers, which supports interoperability, data privacy, cyber security and grid stability. Implement the desired solution (consultation will take place in 2022) (BEIS).	Action 1.4 in SSFP: Will consult by Q1 23	5 Design energy products to meet consumers' needs as well as to facilitate low carbon energy in response to improved market signals. (Energy suppliers)	Being able to offer these energy products to end consumers will be dependent on smart meter rollout and market wide half hourly settlements. So whilst energy suppliers will be considering the design over the coming years, it is unlikely that full roll out will be before 2025.	3 Implement market-wide half hourly settlement as a minimum (by October 2025)	Action 1.5 in SSFP: Ofgem working on policy, implementation framework and code modifications
12 Increase skills and training for installation of low-carbon home heating systems (BEIS)	BEIS is developing plans for a further Skills Training Competition in 2022/23 and intends to continue to work with the industry to support training in key skills shortage areas and new routes of entry to increase capacity. Government is updating the existing apprenticeship framework for heating and plumbing to ensure this offers the right skills to deliver Net Zero. This includes ensuring that all heating apprentices have the core skills needed for low carbon heating.	10a Deliver existing funding schemes for those in need whilst continuing to upgrade existing homes.	The Government has committed £6.6bn this parliament to energy efficiency improvements including: Local Authority Delivery Scheme, Home Upgrade Grant Scheme, Social Housing Decarbonisation fund, Boiler Upgrade Scheme.	6 Devise a strategic awareness campaign for consumers about net zero and consumer actions for net zero (GAP: suggested owner: BEIS, with support from industry/consumer groups).	<i>Recommended only</i>
				10b Improve standards for new builds through the Future Homes Standard (FHS) and Future Buildings Standard (FBS), both to be introduced in full in 2025 (DLUHC)	Government work on a full technical specification for the Future Homes Standard has been accelerated and DLUHC will consult on this in 2023. DLUHC also intend to introduce the necessary legislation in 2024, ahead of implementation in 2025. In the short term, we have implemented an interim 2021 Part L uplift for new homes, which came into force on 15th June 2022. Details of the FHS can be found in Chapter 2.
					For Future Buildings Standard, DLUHC are considering whether a phased implementation is needed so implementation will start in 2025 but not in full. Further information on the Future Building Standard can be found here.

*DLUHC = department for Levelling Up, Housing and Communities

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	behind		complete
	on track	<i>italic</i>	recommendation - not an action

bold font indicates a priority action

Roles and Responsibilities

Bridging the Gap – Flexibility Timeline Tracker June 2022

	2022		2023		2024		2025	
	Action	Notes	Action	Notes	Action	Notes	Action	Notes
1	Outline roles and responsibilities in a net zero, while energy system for existing and future participants, including where responsibility for net zero coordination lies (GAP, suggested: BEIS/Ofgem)	The Future System Operator (FSO) consultation response sets out BEIS and Ofgem's commitment to create the FSO which will have a statutory duty to facilitate net zero whilst also ensuring security of supply and an efficient, coordinated and economical system. As a newly independent body, the FSO will take an increasingly significant role in shaping the energy system and driving forward competition, taking a whole system approach while doing so. BEIS and Ofgem also intend the FSO to have a statutory advisory duty to provide expert advice, analysis and information to Ofgem and government, when requested, to inform key policy decisions.						
2	To avoid delaying action, ensure adequate legislative time is assigned to create the legal basis for net zero roles, rules and responsibilities, including whole system remit for FSO and Ofgem (Gap, suggested BEIS)	The 2022 Energy Security Bill will set out the Future System Operator and its duties as well as revisions to Ofgem's remit.						
3	All reviews of codes and regulations should include a check to see that they are fully net zero compliant and there is a clear timeline for new net zero standards/codes (Ofgem).	Was a recommendation, now part of Ofgem's Forward Work Programme point 6						

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2022		2023		2024		2025	
Action	Notes	Action	Notes	Action	Notes	Action	Notes
1 Examine holistically the changes required to current GB electricity market design to achieve net zero, including effective market signals for flexibility (ESO)	Net Zero Market Review has moved into Phase 4, working with BEIS to feed into REMA	3 Assess and coordinate longer-term operability requirements (out to 2035) between NOA, ETYS and Operability Strategy Report (ESO)	This will be covered as part of the Investment action 3a: develop a strategic network planning methodology. The ESO is developing the principles, and the methodology (2023) for a centralised strategic network plan to be in place for 2024 onwards.	7 Align UK ETS cap to a net zero consistent trajectory by January 2023, or January 2024 at the latest to ensure an effective, robust carbon market to complement flexibility markets (UK ETS Authority)	A consultation about the ETS has been launched and includes proposal for a net zero consistent cap	5 Simplify access to the Balancing Mechanism for all technology providers. (ESO)	The ESO's ambition is to simplify accessibility to the BM for all technologies and to enable the participation of all market providers above 1MW. This is an ongoing process over the course of the next 3 years, how we will do this is explained in our Markets Roadmap and on our Future of Balancing webpage.
2 Investigate optimal market design for both stability and reactive power and develop enduring framework of long- and short-term markets for ancillary services (ESO)	Stability market: the findings and recommendation from our stability market design project were published in March 22. ESO is now working on the implementation Reactive market: In April 22, results of Future Reactive Power Market review were published and can be found on our reactive reform market design webpage. ESO is now working on a feasibility study and implementation plan for the short term market.	4 Deliver single day-ahead response and reserve markets (ESO)	Project on track and due for completion 2023				
		6 Implement Single Market Platform for all of ESO's markets (ESO)	Project underway and there are ongoing updates being rolled out continuously.				

*REMA = Review of Electricity Market Arrangements

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	behind		complete
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2022		2023		2024		2025	
Action	Notes	Action	Notes	Action	Notes	Action	Notes
1	Develop a digital spine for energy interoperability and data sharing, working with key industry stakeholders to develop standards and tools needed (BEIS/Ofgem)	Action 3 from EDS: BEIS are currently considering the detail of the Energy Digitalisation taskforce recommendations with Ofgem, and will respond in due course.	4	Implement a Data and Digitalisation Strategic Change programme that will facilitate the digital transformation of the industry and regulator (Ofgem)	This is included in the Ofgem forward work programme: point 7		
2	Work with communications industry and Ofcom to design national digital infrastructure to support energy system (Tech Advisory council/ESO/DNO/Ofgem/Ofcom).	Was a recommendation. Technology Advisory Council discuss these kind of issues regularly and this requirement specifically was mentioned at the June meeting.	7	Develop and use detailed statistical and machine learning to improve forecasting and to understand demand profile better (2023) (ESO)	On track for delivery in 2023		
3	Develop and use Virtual Energy System to assess potential impacts of actions in real-time (ESO) (wrt interoperability and resilience)	The ESO has just finished the Advanced Dispatch Optimiser project with Google X, which has investigated the scope for using VirtualES for better balancing actions in future					
5	Ensure auto-registration of energy ready/smart appliances, which is accessed via the digital spine (BEIS)	Action 1.2 from EDS: BEIS launched a competition for phase 1 of the Automatic Asset Registration (AAR) competition, which aims to support the development of an automatic, automated secure data exchange process for registering small-scale energy assets and collecting and accessing small-scale energy asset data.					
6	Implement open data portal to share all relevant ESO data, improving the transparency of ESO actions (2022/23) (ESO)	Complete					
8	Develop the Virtual Energy System so that interconnected digital twin models across GB can be used to improve forecasts, provide more automated operation of the system and better visibility of other networks (DNO areas) and flexibility available from connected DERs (ESO lead with industry) (wrt forecasting supply/demand)	ESO has completed the SIF Discovery Phase for the VirtualES: Common Framework project and the CrowdFlex project. Further projects will follow.					
9	Use Regional Development Programmes to develop commercial capabilities for deployment of DERs (ESO/DNOs)	This is an ongoing programme of work for the ESO					

*EDS = Energy Digitalisation Strategy