

# Draft ESO RIIO-2 Business Plan 2

(1 April 2023 – 31 March 2025)

Business Plan 2  
Consultation Update

Grid Code Development Forum

1 June 2022

# Re-cap: the RIIO-2 price control timeline

## The RIIO-2 price control timeline



## The BP2 planning timeline



# Business Plan Overview



# Our focus for the BP2 period

The new themes in our external environment and increased system complexity mean we've rethought our activity in the following ways:

**1** Brand new activities to support the transition to net zero e.g. Early Competition and Offshore Coordination

**2** Increased activity for our teams resulting from increased decentralisation of the energy sector

**3** Activity from BP1 replanned or expanded to deal with growing system complexity



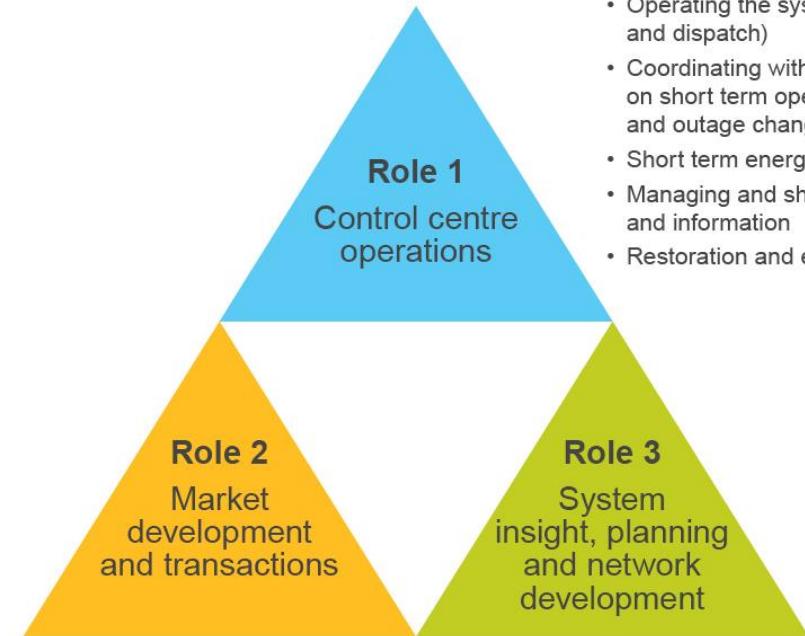
# BP2 activity - key takeaways

- Our three ESO roles are the same for BP2
- Significant number of new and changed activities for each role:

## 5 new activities:

- Market Monitoring
- Data and analytics operating model
- Net Zero Market Reform
- Role in Europe
- Offshore Coordination/Network Planning Review

## And 12 new sub-activities



### Role 1 activities:

- Operating the system (monitoring and dispatch)
- Coordinating with network operators on short term operational decisions and outage changes
- Short term energy forecasting
- Managing and sharing system data and information
- Restoration and emergency response

### Role 2 activities:

- Balancing and ancillary service market design
- Service procurement and settlement
- Revenue collection
- Policy advice and delivery of market framework changes
- Code administrator
- EMR delivery body

### Role 3 activities:

- Long term forecasting, energy scenarios and identification of network needs
- Network Options Assessment
- Delivering competitive system solutions and early network competition
- Managing connections and access to the network
- Whole system process development

# Looking at the roles in further detail

## In BP2 we will:

### Role 1

- **Deliver the new Network Control tool** which transforms the situational awareness capabilities of our Control Centre
- **Deliver DER data into real-time operations** supporting the DSO transition
- **Begin building our new simulation capability** which will further enhance the suite of automated and flexible training options being developed for our Control Centre staff
- **Run multiple engagement and training activities** to ensure that industry is prepared to deliver the new Electricity System Restoration Standard from 2027

### Role 2

- **Deliver net zero market reform** - with project recommendations developed, designed, tested and de-risked
- **Understand and build on our role in Europe** - planning for the vital role that interconnectors play in a flexible and secure future electricity system
- **Deliver code changes to support major net zero programmes** - while continuing to build on and evolve charging and billing processes

### Role 3

- **Improve customer connections** - drive efficiencies and benefits of the connection process as we look to manage the complexities of decarbonisation/increasing number of smaller parties connecting
- **Coordinate the transition to whole electricity system including DSO** - build on outcomes of the ENA work in defining the DSO and the plans that the DNOs have submitted for their RIIO-ED2 price control
- **Evolve and enhance our network planning** – through our strategic network planning approach Offshore Transmission Network Review (OTNR) and Ofgem's Electricity Transmission Network Planning Review (ETNPR)

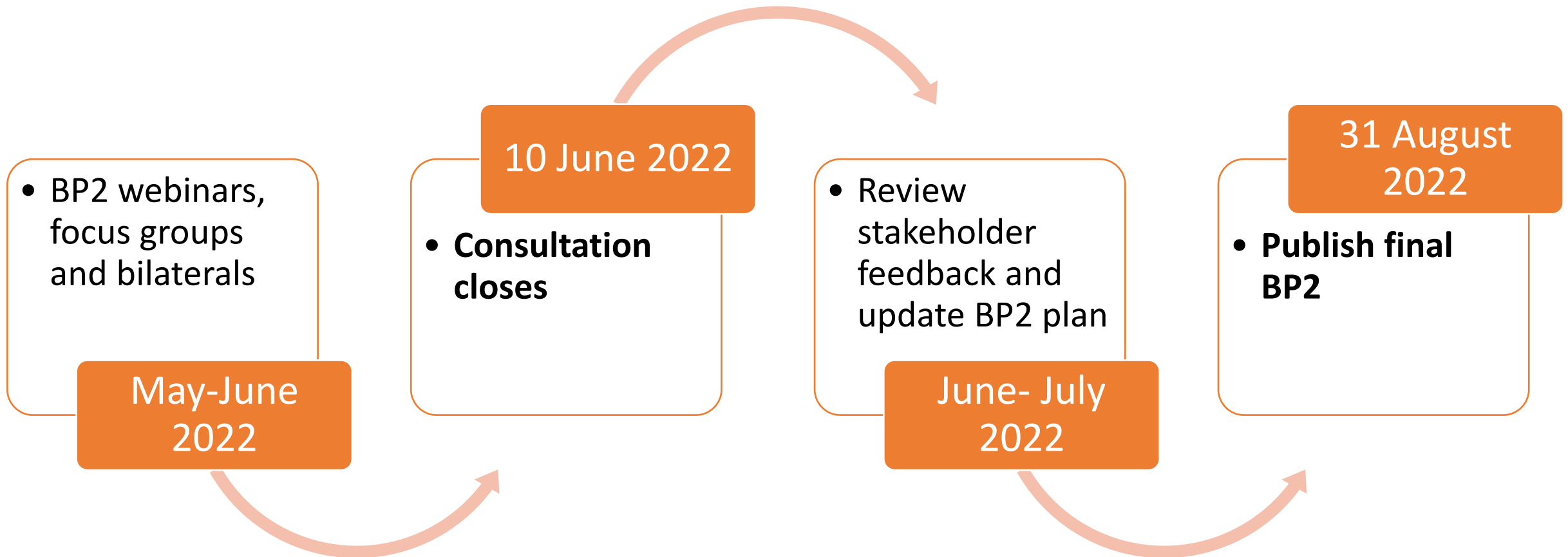
## We will also continue to:

- Operate a reliable electricity system in a flexible and agile way
- Deliver and prioritise our work so we focus on the things that deliver the most benefit
- Respond to stakeholder feedback on our BP1 activities and adapt to the changing needs of our customers
- Adopt a whole electricity system approach to our activities
- Have the capabilities in place to deal with future challenges and respond to change
- Build on the IT transformation we've started so we can change at pace and support consumers to behave differently

# BP2 Formal Consultation



## Next steps towards publishing our BP2 plan





# How to get involved

Consultation is open until Friday 10<sup>th</sup> June

Consultation document and questions available on ESO website

You can sign up to our mailing list, email your consultation responses / queries or set up a meeting with us through [box.ESO.R1102@nationalgrideso.com](mailto:box.ESO.R1102@nationalgrideso.com)

# Any Questions?



