



BiTraDER Year 1 Customer Engagement

**Summary report
BiTraDER**

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Year 1 Customer Engagement Summary

This report summarises the key customer engagement activities carried out during the first year of the BiTraDER project.

Context

The BiTraDER project is investigating, designing, building and trailing options for the introduction of a bilateral trading market. This market will enable parties connected to the network to trade their network capacity rights and curtailment positions, enabling parties which have accepted 'flexible' connections to buy firm access from other parties in close to real time.

The BiTraDER project will run for approximately four years. It commenced in Summer 2022 and is now coming towards the end of the first year.

As part of the first year of the BiTraDER project, customers with connections to the distribution grid were recruited to provide input to the market design as well as giving preferences for platform design. A total of seventeen different organisations were recruited to the project, each with some experience of curtailable / non curtailable connections. The recruited customers are a mix of asset developers, asset managers, aggregators and asset owners. Assets of interest include battery storage, solar farms, wind farms, gas peakers and an aggregated portfolio of residential and industrial demand.

Customer engagement to date

| Engagement Activity | Date | Summary |
|-----------------------------|------------------|---|
| Initial engagement | July-August 2022 | LCP Delta reached out to potential customers for the trial, providing a summary of the BiTraDER project and what could be expected for customers that participate. |
| Customer Webinar | October 2022 | Online webinar providing an overview of the current situation and the potential impact of the BiTraDER platform, alongside an introduction to the 'Trading Rules' objectives. Customers were also able to ask questions about the project and were provided with an overview of next steps. |
| Post-workshop survey | October 2022 | The survey aimed to identify customers' experience with firm vs non-firm connections whilst providing input into trading rule design. The survey was sent out to 26 people at 17 organisations. Nine responses were collected. |

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| In-depth interviews | December 2022 | In order to provide more detail on the answers given in the survey, all customers were invited to take part in an in-depth interview. This included customers who had not completed the survey as it was a good opportunity to gather their views for the first time. Interviews were carried out with eight of the organisations. The interviews were 90 minutes and attended by LCP Delta, ENWL, Electron and AFRY. |
| In-person workshop | February 2023 | All recruited customers were invited to an in-person workshop. The workshop was hosted in Manchester in February 2023. The meeting was attended by a combination of the BiTraDER team and four customers. The workshop was used to gain in-depth feedback on the trading rules and platform functionality. |
| Post-workshop survey | February 2023 | Attendees of the workshop were invited to fill in a survey to gather further insight into their views on the project and on the workshop format. The survey was completed by three out of the four attendees. |
| Engagement on platform customer interfaces | May / June 2023 | As part of the work on the development of the design and technical requirements for the project we are engaging with customers involved in the IT teams of the customer organisations. How the IT solution interacts with customer systems forms a key part our thinking and design principles. Therefore, we are carrying out calls with 2-5 customers to understand: <ul style="list-style-type: none"> ■ What, if any, energy monitoring solutions do they use? ■ What communication protocol is used by their monitoring system? ■ Which of the industry Data Standards do they utilise? ■ Have they developed any integration with external applications, including the development of any APIs? |

The input from all of these engagement activities has fed into the design of the BiTraDER platform. Further detail on how the input has been incorporated is set out in the next section.

Customer engagement impact on project

Key learnings from the customer engagement in the first year of the BiTraDER project.

This section provides an overview of the learnings taken from customers in the first year of engagement and a summary of how this has been incorporated into the design of the BiTraDER project or platform. AFRY have produced a report in June 2023 outlining the current state of play for the trading rules which provides further detail on many of these decisions or actions.¹

| Summary of learning from customers | How this has been addressed by the BiTraDER project team |
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| There was a mixed understanding of and experience with flexibility across the customers. Similarly, in the later engagement activities, such as the in-person workshop, there were different levels of knowledge of the BiTraDER project. | A summary of the BiTraDER project was provided at the start of the in-person workshop. It was also noted as an action in the post-workshop survey report to provide an easy-to-understand overview of the BiTraDER platform either ahead of or at the start of all future engagement. As part of the next stages of the project there will also be wider communication on the project, including blog or LinkedIn posts. |
| Customers recruited are involved with curtailable assets, so there has so far been limited learning on how customers involved with non-curtailable assets would view the project. | Recruitment of customers involved in developing or managing non-curtailable assets will be carried out in the second year of the project. |
| Customers who attended the Year 1 Customer Workshop all worked for organisations leading on the development or management of assets. There are other types of customers, particularly those involved in the trading side, that it will be necessary to engage with during the market design stage. | An action for Year 2 will be to identify traders to engage with over the coming months to collect their feedback. |

¹ <https://www.enwl.co.uk/go-net-zero/innovation/key-projects/bitrader/bitrader-library/bitrader-project-deliverables/2.-bitrader-trials-plan-trading-rules-and-initial-specification-report/associated-documents/>

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| <p>The workshop was only attended by four of the sixteen customer organisations recruited for the project. Lower numbers meant that more detailed discussions and insights were possible with the customers that attended, however, for future workshops it would be helpful to gather views from a wider range of stakeholders.</p> | <p>Before the next workshop the following steps should be taken. These are based on a timeline of starting these steps six months before the workshops but this will be revisited closer to the time.</p> <ul style="list-style-type: none"> ■ Six months before the workshop, reach out to all existing customers to assess their level of engagement i.e. is it likely that they would attend a workshop in ~six months time? ■ If there are low numbers with high levels of engagement at this stage a new recruitment round will be needed. This should be done at least five months ahead of the workshop to allow time to identify customers and get them on board. ■ Start engagement on the workshop early, including reaching out a few months in advance to identify what would make customers more likely to attend e.g. location, duration, style of workshop. |
| <p>Some concern raised by customers on use of utilisation payments, as assets would need to give up other revenue streams to participate. This may discourage customers from participating.</p> <p>The alternative option is using an availability and utilisation payment approach.</p> | <p>This feedback has been incorporated in the development of the trading rules and the BiTraDER team have decided to trial both options to generate evidence on the pros and cons of each option. This will be tested in the 'mini trials' to be held early next year (further details below).</p> |
| <p>Customers raised questions on the timeframe for the trading. It was flagged that the notice period should be as short as possible, allowing solar PV and wind farms to incorporate the latest accurate weather forecasts into their decision to trade.</p> | <p>The timeframe for trading is a key design choice for BiTraDER and AFRY have explored different options in the design of the trading rules. Based on their analysis, incorporating the feedback from customers, the initial specification will assume a day-ahead timeline for trading.</p> |
| <p>There was a strong interest from customers in the approach to price discovery.</p> | <p>Feedback from consumers has been incorporated into the trading rules. The project team have also agreed to run a 'mini trial' ahead of the simulated trials where a key area to test with customers will be the price discovery.</p> |
| <p>The availability of transparent data was important to many customers to support them in their decision to trade. Customers have specified that they would like to see trading</p> | <p>This has been a key consideration for the BiTraDER project partners. This has included reviewing and incorporating the ENA Open Networks principles for trading non-firm</p> |

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| <p>data from all auctions – awarded contacts, agreed volumes and price (availability, utilisation), fulfilment and time windows, on a per-asset bases)</p> | <p>distributed generation curtailment obligations. ElectronConnect provides multiple different reporting options which can be tailored to the needs of the market.</p> <p>The mini trials will support with identifying what data is most important to customers when participating in trading.</p> |
| <p>Customers were asked to specify their preferred way to interact with the BiTraDER market (an API, a web application or something else) and all interviewed customers stated a preference to access the platform through an API and a web application.</p> | <p>The ElectronConnect platform is available to access through both the API and web application by default. The API allows multiple user types to interact with the platform directly from their various applications, for example, System Operation applications (e.g. Active Network Management systems), asset optimisation platforms and asset monitoring platforms. Electron are continuing to engage with customers to get feedback to improve the ElectronConnect API.</p> |
| <p>Several customers have raised the 'hassle factor' as a significant consideration when deciding whether to participate in a market, stating the decision to participate always comes down to the amount of effort required versus the value the market can provide.</p> | <p>In BiTraDER, the team have been looking to address the 'hassle factor' by making the market as easy for customers to participate as possible:</p> <ul style="list-style-type: none"> • UI / UX that minimises the number of interactions required to participate • UI / UX that only displays relevant and useful information • Commercial and technical onboarding process that is simple to follow and does not require much time and effort • Market design which does not require participants to spend a lot of time and be constantly involved • Market timings that align with the timings of alternative markets and other opportunities. |

As outlined above, simulated trials and network trials are included in the original BiTraDER project plan, in Summer/Autumn 2024 and 2025 respectively. As the design of the trading rules has been developed there are a number of areas that have been identified that would be helpful to test with customers ahead of the simulated trials. Therefore, an additional 'mini trial' has been added to project plan. By adding in this stage it will allow project partners to test design decisions with customers at an earlier stage of development and reduce the risk of significant changes to the design during the later stages of the development, when they will be more difficult to implement.

The exact timeframe and structure for this trial is not confirmed but the current thinking is for the trials to take place in early 2024 and to be an in-person workshop using simple excel based models to test some trading scenarios. A table summarising the three sets of trials is below.

| Trial | When? | Structure and aim of the trial |
|------------------|---------|---|
| Mini trials | Q1 2024 | One day workshop to test different design structures, using simple excel based models. Aim to test some of the market design decisions, such as payment structures, ahead of the later trials. |
| Simulated trials | Q3 2024 | Two day workshop to trial trading scenarios through the BiTraDER platform. Testing aspects such as timings, data flows, how customer behaviour affects how trading takes place. |
| Network trials | Q2 2025 | Live trials in the network where trading will take place through the platform. |