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25 June 2021

Dear Rachel

Implementation Arrangements for Market-Wide Half-Hourly Settlement

Thank you for the opportunity to respond to the above consultation on the implementation and governance arrangements for the Market-Wide Half-Hourly Settlement programme.

We remain fully supportive of the objectives of the programme and we support the proposed decision making governance structure as set out in the diagram on page 40 of the consultation.

We support the purpose of setting criteria for Ofgem intervention and we suggest a refinement to create a 6th criterion. The five criteria are summarised in question 8 (section 6) as adherence to the TOM, delivery of benefits and costs, timeliness of delivery, impact on competition and consumer impact. However, at paragraph 6.12 (on page 56) the criterion of 'impact on competition' is expanded to include 'Impact on competition or market stability and conflict of interest'. Impacts on competition or markets would likely be closely aligned, but conflicts of interest could potentially arise between participants or within specific aspects of the programme and may not just occur within a single organisation significant to the programme e.g. Elexon. We suggest that 'conflicts of interest' should be separated from 'impact on competition or market stability' to create a distinct 6th criterion. We have presented this view in our answer to question 8.

We hope you find our response helpful and we look forward to engaging further with Ofgem on this programme.

Yours sincerely

CT Allanson

Chris Allanson
Commercial Manager – Industry Governance

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