



**MRA Service Company Limited
10 Fenchurch Street
London
EC3M 3BE**

Tel: 020 7090 1029
Fax: 020 7090 1001
email: helpdesk@gemserv.com

www.mrasco.com

Andrew McFaul
Consultation Co-ordinator
Ofgem
9 Millbank
London
SW1P 3GE

7th March 2012

Dear Andrew,

PROMOTING SMARTER ENERGY MARKETS – 174/11

Thank you for the opportunity to respond to the above consultation.

MEC is pleased to provide a response to the 'Promoting Smarter Markets' consultation in the context of the managing committee for the Master Registration Agreement (MRA).

The wider proposals in respect of retail market development and improving market processes are noted, and it is not the intention of MEC to provide specific views on these proposals. This response is focussed the role of the MRA in both the existing governance arrangements and in any future consolidation of MRA provisions into the SEC.

MEC agree Ofgem are well placed to consider consolidation across the gas and electricity sectors in a way that sector-specific codes and agreements could not. Developments for smart metering may offer a platform for a broader strategy for smarter markets, and in the event that Ofgem pursue a strategy for smarter markets, MEC would be pleased to inform and support the co-ordination of any transition.

It is noted that Ofgem will publish its strategy for building smarter markets in the summer. Looking ahead to the development of that strategy, and in particular whether it will include code consolidation, MEC would wish Ofgem to take into account the scale of activities and co-ordination that will underpin an orderly migration of governance.

In its response to the DECC consultation on the DCC Regulatory and Commercial Framework, MEC reiterated the importance of ensuring a smooth transition for all participants. There are case studies from previous industry exercises to reform governance and systems, including registration systems. Whilst MEC do not consider it appropriate at this stage to offer solutions or options, it is strongly recommended that there is a lessons learned exercise undertaken as part of the assessment of reforms.

MRA

It is also noted that the consultation refers to future central registration activities under the DCC. MEC wish to highlight to Ofgem that there is a breadth of expertise under the MRA in respect of developing new registration system requirements (MPAS), migrating metering points from a legacy to a replacement system (ERS to MPAS Migration); and running down the relevant systems over the settlement calendar. Such transitional and termination measures will need to be carefully co-ordinated between the MRA and SEC as well as the respective licensees to ensure an orderly handover. There are many complexities to be factored in to a successful conclusion for all concerned, and MEC strongly recommend that robust and co-ordinated processes are developed between the Programme and MEC, on behalf of the MRA, in order to ensure that the registration objectives of the SMIP can be facilitated.

MEC would be pleased to engage with the Smarter Markets Team in order to share background experience and any further information regarding the MRA and the registration arrangements thereunder.

Yours sincerely,

A handwritten signature in black ink, consisting of the letters 'A', 'G', and 'T' followed by a series of horizontal, slightly wavy lines that extend to the right, suggesting a stylized or cursive signature.

Alex Travell

Chair, MRA Executive Committee