These questions were circulated to the group in advance of meeting four to support our discussion. More specifically, to provide some focus to certain issues and to allow some advanced thinking around knowledge areas where industry can lend its technical and commercial expertise.

Central agent option design - scope of central agent service

1. To inform central agent option design, we are interested in what the scope of a central provider should be. In the table below, we have attempted to clarify the function roles, the activities which will be required in the future[1] and whether they are likely to be automated. We then set out related some questions.

Function role	DP and DA activities	Required in future (for consumers in scope)	Automated
DP Exception identification and notification	Check read is within tolerance	Will remain?	Y?
	Checking alarms	Will remain?	Y?
	Main/check meter comparison	Not required – smart meters will not have check meters	n/a
	Checking outstation time	Moves to DCC	n/a
	Checking outstation channels	Not required – smart meters will not have multiple channels	n/a
	Cumulative/total consumption check	Will remain?	Y?
	Proving tests	Not required for smart meters but potentially still for advanced meters?	n/a
	Meter advance reconciliation	Not required as smart meters should not allow advance and HH interval data to become desynchronised	n/a
	Notify of exceptions	Will remain	Y?
DP Data management	Take action to resolve exceptions following notification from DA	Will remain	N
	Investigate metering system following identification of anomalies	Will remain	N
	Other?	?	?
DP Estimation	Estimate data	Will remain	Y
	Data transfer	Not required if there is central agent or if estimation uses data from other consumers rather than historical data?	n/a
DA Exception identification and notification	Check registration data against Market Domain Data and previous registration data	Will remain	Y?
	Check for unexpected HH data	Will remain?	Y
	Check if HH data received from unexpected HHDC	Will remain?	Y

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[1] We have tried to include all activities (i.e. some which will/may not be necessary in future to ensure we are exhaustive. As discussed at expert group 3, we are of the view that these will not change considerably in the future but are necessary to understand for our option design.

	Check for missing HH data	Will remain?	Y
	Check if supplier is not equal to SMRA supplier	Will remain?	Y
	Check for non-zero data for de-energised site	Will remain?	Y
	Check import data is not for export MPAN (or vice versa)	Will remain?	Y
	Notify exceptions	Will remain	Y
DA Data management	Take action to resolve exceptions	Will remain	N
DA Aggregate data	Aggregate data by supplier and GSP Group	Will remain	Y
DA Line losses	Apply line losses in to a supplier's aggregate position	Will remain but possibly moves to central systems for non-site-specific consumers	Y

A. Do you agree the activities which we have flagged - 'will remain' - will continue do so?

B. We are interested in whether the 'Data management'[2] role for DP and DA, as noted in table above, could be <u>excluded</u> from the scope of a central agent option and left to the market. It is our understanding that independent Supplier Agents may be able to distinguish themselves from other such Supplier Agents in this area; and that suppliers may need commercial control over certain aspects to appropriately manage their settlement position. We have attempted to categorise such 'Data management' services in the table. From a central option design perspective:

I. Could these functions/activities could be excluded? If so please explain why.

II. Are there any major barriers (e.g. technical or commercial) to a supplier and/or agent undertaking the 'Data management' role (for example, a central provider's technical ability to provide necessary data access to allow the market to perform and take responsibility for these 'data management' services).

C. We are interested in whether or not those activities which <u>'will remain'</u> will be automated. This is because there may be efficiency benefits from a central provider undertaking certain such activities. Are our assumptions above over what will be automated in the future correct? Which ones is there value in including in the scope of a central agent?

Central agent option design - central agent service responsibility

2. To inform central agent option design, one aspect of further interest is thinking between a model where functions[3] should be undertaken by one central provider (DCC <u>or</u> Elexon), or a model where they are split between two different central providers (DCC <u>and</u> Elexon). Data flow hand-offs and standardised processes may have bearings on the choice of model in terms of the impact they have on a) process simplification b) cost efficiency and c) data quality.

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[2] Exception resolution and settlement performance portfolio services.
[3] Those suggested in the table which could be in-scope activities - i.e. which 'will remain' and are <u>not</u> 'data management'.

A. How <u>material</u> an effect do you consider the impact of hand-offs and standardisation are likely to have in maximising each of a), b) and c)? We are interested in this to inform our understanding of the relative costs and benefits between the models described.

Central agent option design - data privacy

3. We are interested in whether it is technically possible to design a central agent option to meet data privacy concerns. At Expert group meeting 3 we discussed whether restricting supplier access to central data on an aggregated basis would meet concerns, but there were views that suppliers would need disaggregated data from a central agent. The Information Commissioner has published guidance on further techniques (i.e. anonymisation). We are interested in whether it is possible for personal references to be removed (e.g. name, address etc.) from data used, to manage exceptions:

   A. what personal information is required to resolve exceptions which will occur in the future?

   B. Is there a level of anonymisation which would enable exceptions to be resolved, whilst allowing consumption data to be kept anonymous?

Supplier Agent option design

4. At Expert group meeting 3 we discussed the incremental costs and benefits between option 1a and b.[4] We discussed the materiality of any incurred costs (DCC interface) and whether 1b has relative benefits over 1a as a result of reduced data flow hand-offs.

   A. Does option 1b have net benefits over 1a?

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[4] Where Supplier Agents obtain HH data directly from consumers rather than getting the data via the supplier.