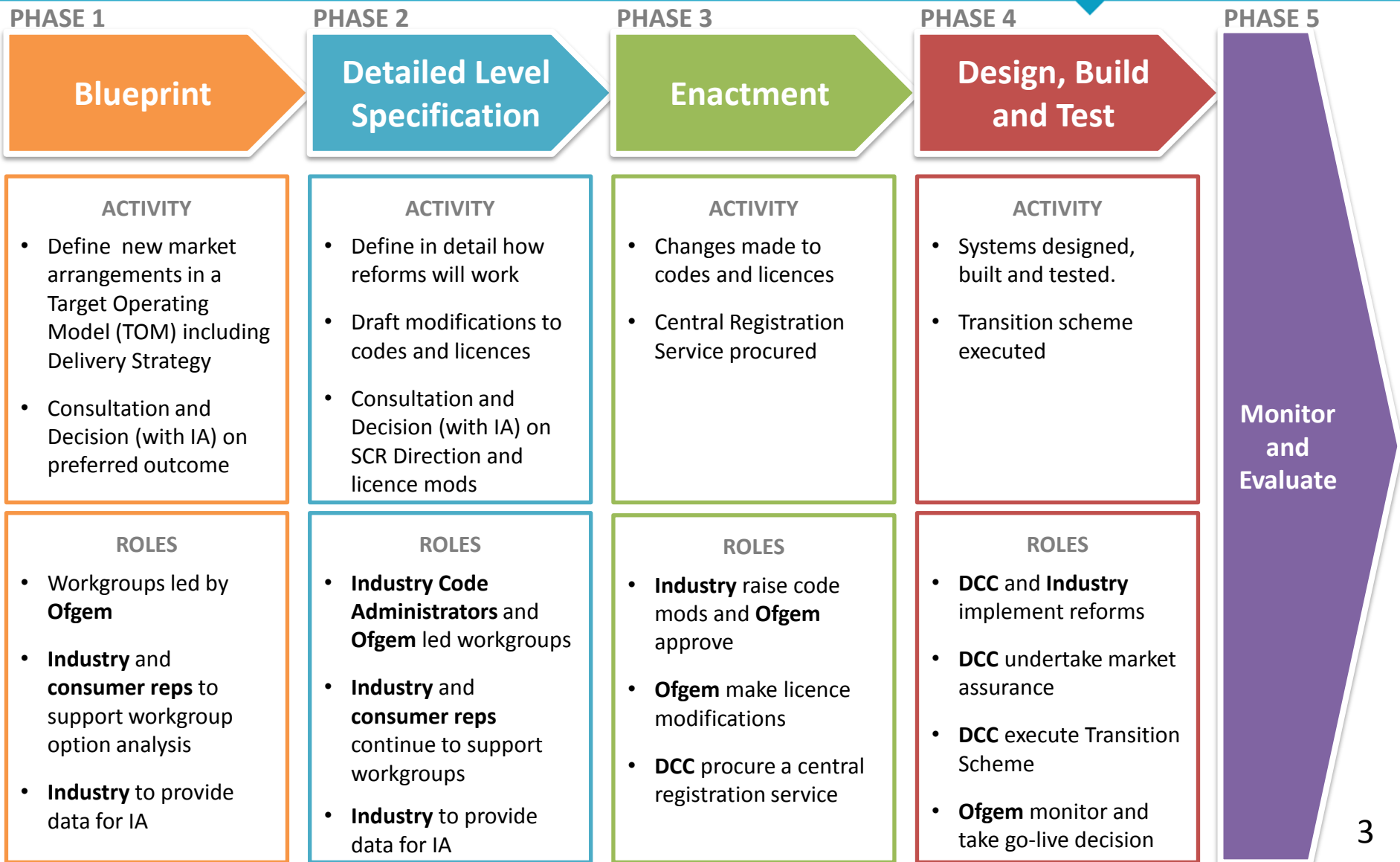


EDAG 12:
DLS Decision Making & Industry Engagement
For Information & Discussion

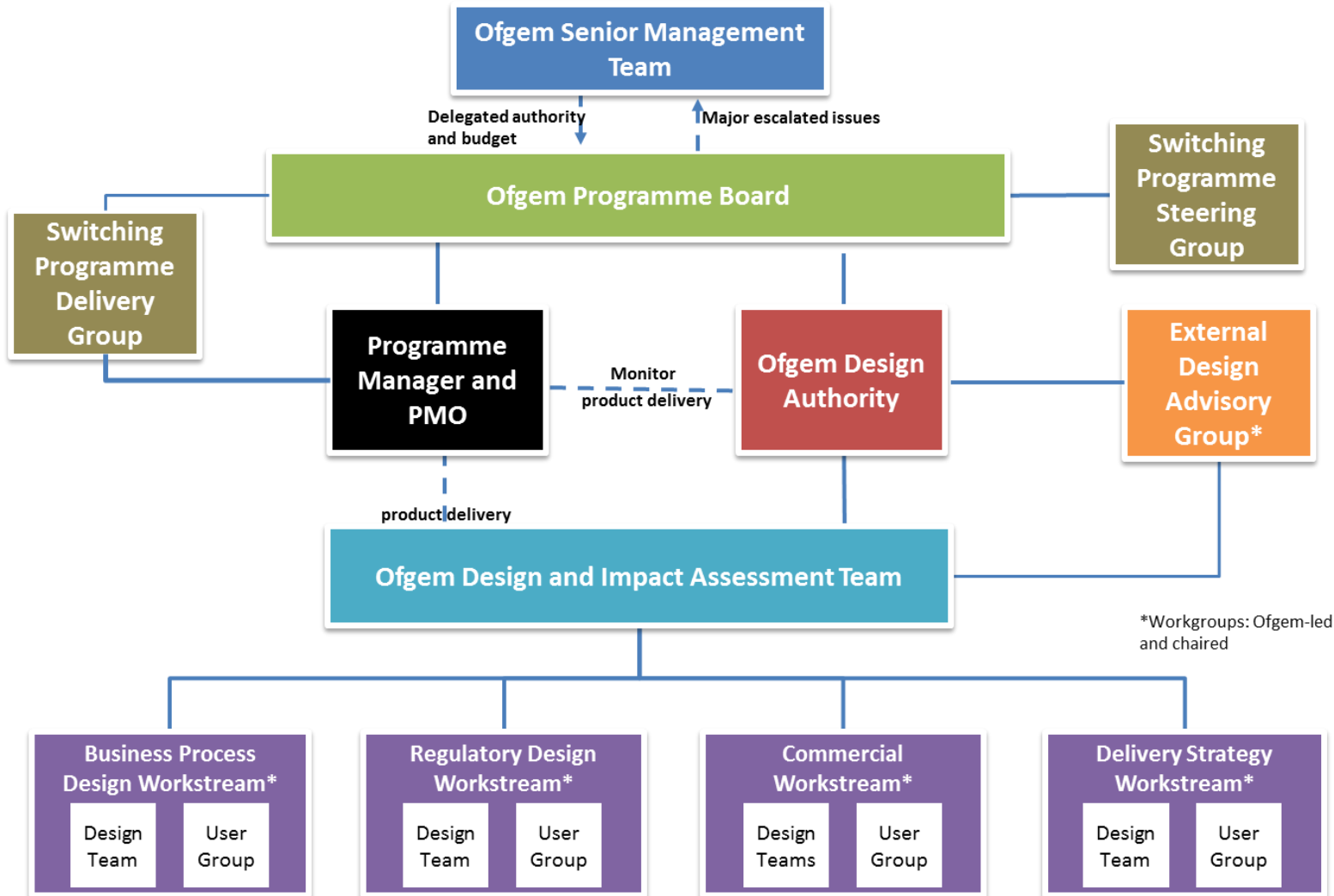
Andrew Amato
21 November 2016

ofgem

- We are in the process of devising decision making and stakeholder engagement arrangements for the Detail Level Specification (DLS) phase of the programme.
- We welcome the views of EDAG on our thinking which will be presented for agreement at the December Programme Board meeting.
- We would particularly welcome views and further engagement with members on the skills, experience and composition of industry representation on the proposed Technical Design Authority (TDA).

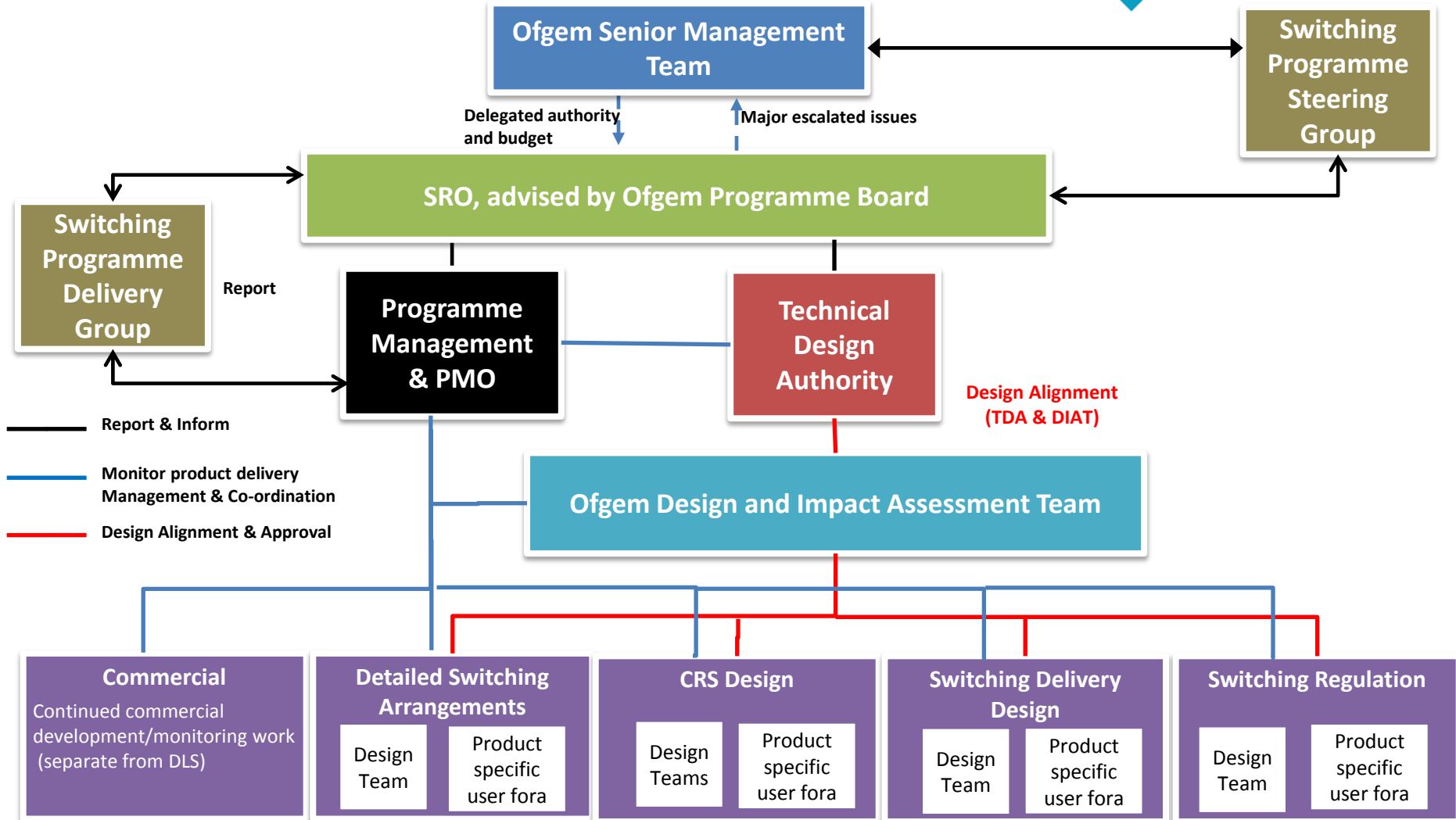


- We believe that the decision making & industry engagement structures currently in place for the Blueprint phase will not be appropriate for the forthcoming DLS phase of the programme.
- The DLS phase will involve the development of a considerable amount of technical detail and will require more streamlined review and decision processes.
 - The current Design Authority lacks the detailed technical knowledge to be able to make informed and timely decisions on DLS phase products.
 - The current industry review cycle for products in advance of decision (sequential Design Team, User Group, EDAG) is not appropriate for the iterative approach likely to be needed for DLS.
 - The products being developed in DLS will be at a level that will require more specialist review due to their level of detail, meaning refined engagement routes will be necessary.



- DLS products will be developed with industry in a similar approach to Blueprint with formation of appropriate design teams.
- Currently 4 core areas of development activity have been identified in DLS
 - Detailed Switching Arrangements (DSA) – the single unambiguous statement of the end to end processes for the new arrangements
 - Switching Regulation – development from the DSA of the regulatory requirements (code or licence) to implement the new arrangements
 - CRS Design – development from the DSA of the technical detail for systems to deliver the new arrangements
 - Switching Delivery Design – development of the detailed delivery plan
- It is envisaged that different products will require different levels and types of industry engagement.
 - For example, Security & Privacy Design will have a dedicated security industry working group.
 - Other products are likely to use arrangements similar to existing User Groups to provide review & challenge.
 - Industry engagement approach will be defined and approved in each DLS product description.

Programme governance – DLS (proposed)



Proposal – Decision Making (1)

- The current Design Authority (DA) be replaced by a new Technical Design Authority (TDA) which is composed of Ofgem and external membership. Frequency of meetings to be confirmed, but expected to meet weekly to advise design teams and take design decisions.
- TDA would be chaired by Ofgem and be composed of the following members: -
 - 2x Ofgem representative (DIAT and BPD)
 - 1 x DCC representative
 - 3 x Industry experts (1 x networks, 1 x large supplier 1 x mid tier/small supplier)
 - 1 x independent industry expert representative
 - Secretariat (Ofgem DIAT or PMO team)
- Product approval would be based on robust objective acceptance criteria defined in a Product Description. These would be approved by the SRO/Programme Director/Programme Manager and would also define requirements for industry review and any further assurance.

Proposal – Decision Making (2)

- Top level design decisions will be made on Blueprint Phase products, with stakeholder engagement through EDAG:
 - Design Baseline 2 (Blueprint consultation & draft Outline Business Case & Impact Assessment)
 - Design Baseline 3 (Blueprint decision & updated OBC/IA)

These decisions will be made by the SRO and the Programme Board.
- TDA will be tasked with delivering a detailed design that implements the baseline decision made by Ofgem. The Terms of Reference for TDA would set tolerances around that baseline in terms of scope, quality, cost and time within which TDA has full delegated decision making.
- The Ofgem Programme Board owns the design baseline therefore any decisions that impact this would be escalated by TDA to Programme Board.
- Decisions of the TDA would be published on the Ofgem website.

- Industry would be engaged in DLS development via work on design teams, specialist technical user groups and representation on TDA.
- Industry TDA representatives would be expected to communicate progress to relevant sector stakeholders and ensure that they understand the breadth of views across the sector on relevant issues.
- EDAG would review Blueprint Phase products (DB2 and DB3) but would not have a role reviewing DLS products.
- Representative industry engagement for DLS should be through industry fora with appropriate groups of experts being brought together on a product specific basis.
- Transparency of decision making will be maintained through industry fora, constituency engagement by industry DA TDA members, reporting to SPDG, publication of information via the Ofgem website and periodic wider industry engagement events to inform of progress.

- Do EDAG members believe this is an appropriate approach for decision making and engagement in DLS?
- Do EDAG members have a view on the skills and experience required for industry representatives on TDA?
- Recommendations for membership?

- If Programme Board agree this approach, we will seek to recruit TDA members and socialise Terms of Reference with a view of having new body in place in February 2017.

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We work effectively with, but independently of, government, the energy industry and other stakeholders. We do so within a legal framework determined by the UK government and the European Union.