

Electricity supply licence holders, electricity distribution licence holders, code panels, code administrators, industry bodies, metering agents, consumers and their representatives, and other interested parties

Email: half-hourlysettlement@ofgem.gov.uk

Date: 21 August 2017

Dear Colleague,

REQUEST FOR INFORMATION

On behalf of the Gas and Electricity Markets Authority, Ofgem is writing to stakeholders to seek information in connection with the Electricity Settlement Reform Significant Code Review which was launched on 24 July 2017. The specific information we are requesting from you is set out in the spreadsheet provided. The deadline for providing information to this request is 29 September 2017.

The information is being requested on a voluntary basis pursuant to the Gas and Electricity Markets Authority's general market monitoring functions under section 34 of the Gas Act 1986 and section 47 of the Electricity Act 1989. You should note that the information we receive may be used for any purposes relating to Ofgem's functions.

We would ask you to endeavour to provide us with as detailed and accurate information as possible.

Background to this request

Ofgem is developing an Impact Assessment which will form part of the Business Case on the move to mandatory half-hourly settlement. The Impact Assessment will examine the economic aspects of the Business Case.

This process began with identifying the objectives of the project, and continued by outlining a long-list of options to deliver those objectives, which we discussed with a group of stakeholders in March. We are now seeking to gather information from key stakeholders to help us to narrow these options down to a short-list and begin to quantitatively cost these options to determine a preferred solution.

This initial Request for Information is intended to gather information on the potential impacts of mandatory half-hourly settlement. We are looking to gather evidence from stakeholders of the costs that you could face as a direct consequence of mandatory half-hourly settlement and investigate what would drive those costs, as well as the potential scale of the costs.

The Request for Information was sent out in draft form to a number of stakeholders on 27 July and published on our website. The feedback we have received has been published in a Q&A document.

Confidentiality and disclosure

Any information provided to Ofgem which relates to the affairs of an individual or a particular business will be subject to statutory restrictions on disclosure under section 105 of the Utilities Act 2000. However, you should note that there are exceptions to the statutory restrictions, including where the disclosure is necessary to facilitate the statutory functions of Ofgem (e.g. the publishing information to promote the interests of consumers) or other public bodies. In so far as it is practicable to do so, Ofgem will normally seek your consent before making any disclosure.

You should note that Ofgem cannot provide any assurances in relation to the treatment of information which may be the subject of a request made under the Freedom of Information Act 2000 ('FOIA'). However, we can confirm that Ofgem will always consider whether the statutory restrictions on disclosure apply to the requested information and therefore whether one or more of the FOIA exemptions apply.

Before deciding whether to publish any information relating to the affairs of a particular licence holder, Ofgem is required to consider whether it is appropriate to redact any information on the basis that the information would or might, in our opinion, seriously and prejudicially harm the interests of that person ('confidential information'). In order to conduct this assessment, we would ask that you indicate in your response whether you consider any information to be confidential information and provide brief reasoning in support of your views. Where appropriate, we may seek further representations from licence holders at a later stage in respect of any specific information Ofgem is proposing to publish.

Your response

Please complete the Information Request spreadsheet and return it by email to <u>halfhourlysettlement@ofgem.gov.uk</u> by 29 September 2017.

Should you have any questions regarding the information request please contact <u>james.earl@ofgem.gov.uk</u>.

Yours sincerely,

Cathryn Scott Partner, Energy Systems