

PUBLIC

Design Working Group

Attachment A - TOM
Consultation Responses



ELEXON
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INTRODUCTION

The DWG held a [consultation on its preferred TOM](#) in February 2019. The full non-confidential consultation responses can be found on the [DWG webpage](#).

We received 23 responses, 1 confidential.

Responses to the questions were received from large Suppliers, small Suppliers, Supplier Agents, LCCC, Electralink, a Meter Administrator and a written response from Citizens Advice.

No.	Company Name	Confidential	Role of Parties/non-Parties represented
1.	I Supply Energy	Yes	Utilities
2.	Association of Independent Meter & Data Agents (AIMDA)	No	Association
3.	Bristol Energy	No	Supplier
4.	British Gas	No	Supplier
5.	Citizens Advice	No	Charity, Energy consumer advocate
6.	DCC	No	Central Industry Body
7.	EDF Energy	No	Supplier
8.	ElectraLink	No	Central Industry Body
9.	Engie	No	Supplier
10.	EON	No	Supplier & Supplier Agents
11.	Energy UK	No	Trade Association
12.	First Utility	No	Supplier
13.	IMServ	No	Meter Operator / Data Collector / Data Aggregator
14.	LCCC	No	Central Industry Body
15.	Morrison Data Services	No	Party Agents
16.	Npower	No	Supplier & Supplier Agents
17.	Drax Group	No	Supplier
18.	Salient	No	Systems Solution Providers – HHDC/DA, HHMO, NHHDC/DR, NHHMO
19.	Siemens	No	Supplier Agent
20.	Smartest Energy	No	Supplier
21.	SSE	No	Supplier
22.	Stark	No	Energy Data and Services
23.	TMA Data Management	No	Supplier Agent and Shared Services service provider
24.	Utilita Energy	No	Supplier

A summary of the responses is provided below.

SUMMARY OF RESPONSES BY QUESTION

The following sets out the responses and key themes to each of the consultation questions

Question 1: Do you agree with the DWG's recommended TOM as a basis for delivering Market-wide Half-Hourly Settlement?

Yes	No	Neutral/other
14	7	1

Key Themes

- Some Agents preferred competitive data aggregation;
- High proportion of smart-SP is required;
- Need a process for sending validated data to Suppliers;
- AMR currently have a separate retrieval service; and
- Smart meter data should go direct from DCC to Settlements.

Question 2: Do you agree that the DWG has identified the correct TOM, taking into account Ofgem's 'least-regrets' policy steers?

Yes	No	Neutral/other
15	6	1

Key Themes

- SP level data for settlement should be mandated; and
- Some Agents felt data aggregation should be competitive.

Question 3: Do you agree that the TOM captures all essential Settlement processes?

Yes	No	Neutral/other
18	2	2

Key Themes

- Should include non-settlement processes such a customer data for billing and for switching; and
- Should include behind-the-meter and flexibility services.

Question 4: Do you agree that the DWG has identified all the required data to be processed by the three Data Services (Smart Data Service, Advanced Data Service and Unmetered Supplies Data Service)?

Yes	No	Neutral/other
16	3	3

Key Themes

- Should consider requirements for behind-the-meter;
- Smart Meter data should be pulled daily;
- Need clarity on Switching Programme and Ofgem policy decisions; and
- Supplier needs to be notified of any mismatch between registration data and consumption.

Question 5: Do you agree that the TOM does not hinder new market entrants, technologies and innovations?

Yes	No	Neutral/other
15	5	2

Key Themes

- Too early to say;
- Centralisation can hinder innovation; and
- Removing Data Aggregators simplifies the market for new parties.

Question 6: Do you agree that the DWG's reduced Settlement Timetable is appropriate and achievable in the Target End State? Please identify any constraints that you believe are relevant.

Yes	No	Neutral/other
10	6	6

Key Themes

- Depends on proportion of smart meters and DCC capability;
- Insufficient information;
- SF should remain at 16WD to allow for manual reads;
- Some suppliers will have portfolios containing mainly dumb Meters;
- Some large HH sites requires many months to resolve the issue; and
- Four months to RF is appropriate but would require 97% smart Meter penetration.

Question 7: Do you agree with the DWG that participants should be able to correct Settlement Errors after the Final Reconciliation Run through Trading Disputes, and for at least 12 months after the Settlement Day (subject to an appropriate materiality threshold)?

Yes	No	Neutral/other
14	2	6

Key Themes

- Too early to know appropriate disputes window;
- 12 months;
- 28 months (based on traditional AMR market not really changing);
- 2 years;
- 14 months;
- Disputes require manual intervention and are more intensive than scheduled runs;
- £10k materiality threshold; and
- Materiality threshold higher than current.

Question 8: Do you agree that there are overall cost benefits to parties from the reduced Settlement timetable?

Yes	No	Neutral/other
5	6	11

Key Themes

- Insufficient information at this stage;
- Reduced credit cover;
- More issues and faster resolution of issues will be required;
- Depends on the performance of each supplier's portfolio;
- Suppliers will face more difficulty in forecasting; and
II at 4WD, SF at 7WD, R1 at 33WD and RF at 4 months

Question 9: Do you agree with the nine transition principles that the DWG intends to follow when developing its approach?

Yes	No	Neutral/other
20	0	2

Suggestions

- Include an interim step;
- Prevent barriers to switching;
- Prevent barriers to innovation;
- Parties should pay the same costs for an MPAN before and after migration;
- Transition should be supplier-driven;
- Should be simple and cost effective;
- Should provide incentives to parties;
- Performance monitoring should include central systems;
- Run-off should be cut when thresholds are met;
- One process per meter or per MPAN;
- Regional differences in smart meter penetration;
- Faster switching interactions;
- SMETS1 adoption;
- Phased approach; and
- Should extend SEC roles and elective-HH provisions early-on.

Question 10: Do you have any views on the areas of design detail for further consideration?

Yes	No	Neutral/other
13	7	2

Suggestions

- Interaction with switching/billing;
- Need to balance reduction in settlement timescale with accuracy of data;
- Tolerance around the transition – see P272;
- Engage MRA and MPRS providers;
- Further work on MPRS as single source of the truth;
- Details of data flows;
- Wider industry engagement in detailed design;
- Consider Siemens proposed TOM;
- Rounding issues (input data in Wh and kWh);
- Application of GSP Group correction factors;
- Supply licence condition should be the first choice solution to ‘gaming’.

Question 11: Do you have any further comments?

Yes	No	Neutral/other
7	13	2

Comments

- Currently insufficient information to assess costs/impacts;
- Parties might be assuming that services need to be built from scratch;
- Access to SP-level data for settlement should be mandated;
- Coordinate MHHS work with other industry changes e.g. Faster switching, TCR, Smart roll-out;
- Ofgem policy decisions have considerable implications for the costs/benefits;
- Should keep up to speed with behind-the-meter and possibly integrate this in to the TOM; and
- Consider DNO’s role in resolve metering faults.