

1 INTRODUCTION

- 1.1 The June 2019 Switching Programme and Retail Code Consolidation consultation¹ proposed options for transferring existing Meter Point Administration Service (MPAS) provisions to other industry codes on closure of the MRA. The options included migration to either the BSC, DCUSA or REC; or splitting the governance according to the functions most associated with each obligation.
- 1.2 The majority of respondents supported migration to the DCUSA, however further work has been undertaken since the consultation was issued, to review the existing MRA provisions and identify the most appropriate location post Central Switching Service (CSS) go live. This review identified that the MRA currently includes different types of provision. Whilst historically these may have been referred to as 'MPAS provisions', they do not always define obligations on MPAS Providers.
- 1.3 In general, the existing MRA provisions which relate to MPAS can be classified as:
 - MPAS requirements, eg the requirements on MPAS Providers to maintain a register of specific data and meet defined validation requirements and service levels. This also includes ad hoc reporting services such as data refreshes.
 - Operational processes which include updates to MPAS alongside other process steps, eg updates to a metering point lifecycle.
 - Party obligations to send initial data or updates to the information held within the MPAS, eg Supplier obligations to inform MPAS when they appoint an agent to a metering point.
- 1.4 An activity has been undertaken to categorise each of the existing MRA provisions (covering DNO obligations as MPAS Providers as well as Distribution Businesses). Those relating to MPAS requirements will be incorporated within a service definition document (further information on this has been included in section 3).
- 1.5 High level principles have been developed setting out the approach to re-locating the remaining MRA provisions, ie those not captured within the service definition, following the closure of the MRA as part of the Retail Code Consolidation exercise.
- 1.6 We propose to discuss these principles, together with specific examples showing how the key MRA processes will be treated, with the Regulatory Design User Group in December. This will provide clarity to code bodies, enabling the development of consequential changes to be drafted for the BSC and DCUSA, alongside further development of the REC. We will discuss with RDUG how best to engage with stakeholders to develop and test the detailed implementation of our proposals.

1

https://www.ofgem.gov.uk/system/files/docs/2019/06/june19_switching_programme_and_retail_code_consolidation_consultation_final2.pdf

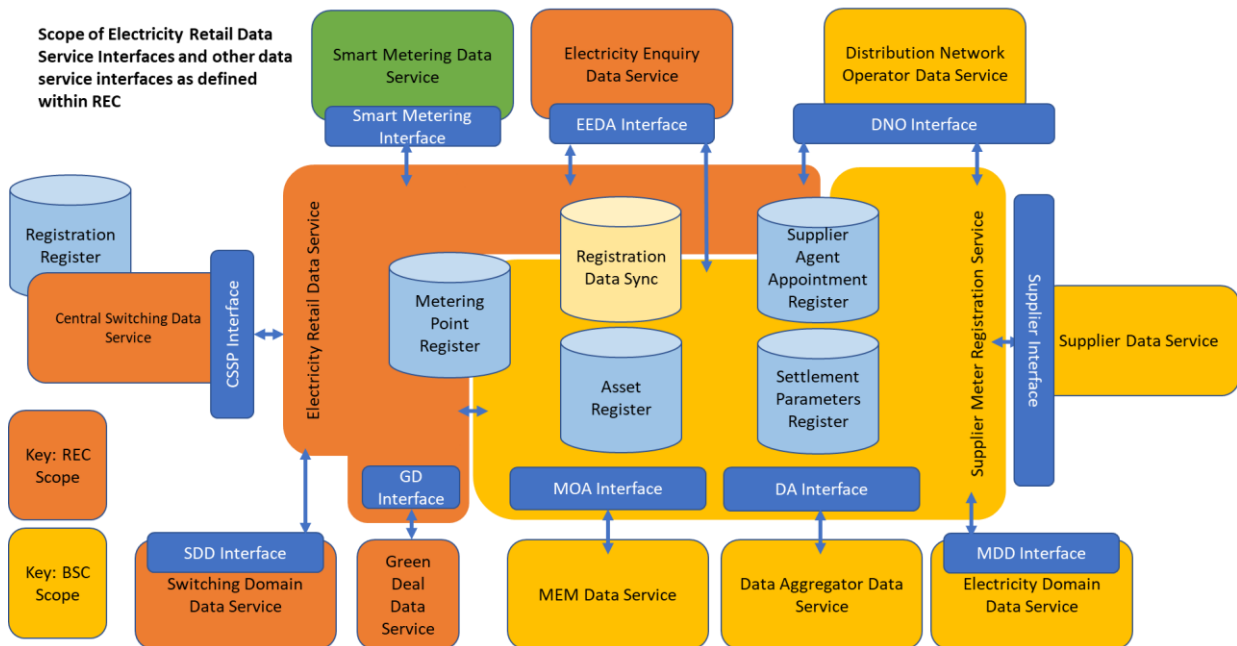
2 MPAS REQUIREMENTS

- 2.1 This section provides further consideration of the MPAS requirements, ie the requirements on MPAS Providers defined in the MRA; and how these will be impacted by the introduction of the CSS.
- 2.2 At present, Standard Licence Condition 18 of the Distribution Licence requires each Distribution Network Operator (DNO) to establish and maintain a register of technical and other data to facilitate supply by any electricity supplier to all premises connected to the licensee's distribution system, and to meet the reasonable requirements of electricity suppliers in respect of such premises for information for settlement purposes. Data includes the identity of the electricity supplier registered to each metering point, the type of metering equipment installed at the premises, a unique and accurate address for each premises, and whether the premises are subject to a Green Deal agreement.
- 2.3 The introduction of the CSS will remove responsibility for a DNO to master registration data (the identity of the electricity supplier registered to each metering point) and place this on the CSS Provider. However, responsibility for maintaining a register of other data currently highlighted in the licence condition will remain with the DNO, either within the REC, BSC or the Distribution Licence.²
- 2.4 Under the REC, a new service has been defined; the Electricity Retail Data Service (ERDS). The ERDS is delivered by DNOs in their capacity as Electricity Retail Data Agents (ERDA) as defined under the REC and acts as an interface between the DNOs, Electricity Suppliers, the Smart Metering Data Service Provider, Green Deal Central Charge Database and the CSS Provider. The main purpose of the ERDS is to pass registration data, required to facilitate switching, to the CSS.
- 2.5 The remaining MPAS requirements included in the MRA relate to activities also defined within the BSC (although the BSC refers to the SMRS - Supplier Meter Registration Service) including management of meter asset data, settlement parameter data, metering point data and supplier agent appointment data; including a set of interfaces which allow suppliers and DNOs to update data and Data Aggregators to receive data from the service. The MPAS / SMRS service requirements currently defined in the MRA include service levels associated with the daily processing of data and provision of support services during normal working hours.
- 2.6 Figure 1 shows the existing MPAS interfaces and data registers which will, post CSS go live, be defined within the REC / BSC.

² The June consultation included a specific question on whether the Licence condition should be removed, provided there is sufficient coverage in the relevant code(s)

Diagram Name: **Future Data Services Landscape**

Scope of Electricity Retail Data Service Interfaces and other data service interfaces as defined within REC



2.7 Analysing the existing MPAS provisions in this way shows a clear split between the scope of the new ERDS and the existing SMRS. We believe the definition of these two services will incorporate all existing MPAS requirements. It has therefore been proposed that the term MPAS is no longer required after CSS go live; with existing MPAS requirements defined within either the ERDS, SMRS or CSS service definitions.

3 SMRS SERVICE DEFINITION

3.1 In order to demonstrate how the existing MPAS requirements, associated to settlement activities, could be captured within a single document, an SMRS service definition has been developed in line with the proposed content listed below and shared with RDUG for initial review. This service definition document has been developed to be agnostic to the overall code governance and could therefore be included in the BSC, DCUSA or REC.

3.2 The service definition includes:

- A description of the service that will be provided – this consists of the maintenance of a register of metering point standing data; receipt and validation of data from various parties to update the register; and provision of data to various parties.
- A definition of users type, eg the parties who send data to, or receive data from the SMRS.

- Whether there are any entry criteria / onboarding requirements that must be met before users can access the service, eg being connected to the Data Transfer Network to interface with the SMRS.
- The service levels against which the system and has been designed, eg the timescales for providing data to the various recipients.
- Any maximum volumes that have been specified in the definition of the service, eg the threshold for parties to utilise the bulk change of agent process rather than sending individual updates.
- When the service will be available to users and any defined deadlines for processing which could be relevant to users.
- Provisions for dealing with incidents, service requests and operational change including any service desk functionality.
- Reporting requirements including supplier metering point counts and any performance reporting to be provided to the relevant code panel / board.
- Additional services that the SMRS provides including the sending of full and partial refreshes of data to suppliers or data aggregators; and the delivery of retrospective amendments to the SMRS³.
- A summary of the validation procedures that the SMRS should apply when processing data.
- Any specific business continuity / disaster recovery provisions, eg processing of transactions once the service has been recovered.
- Data handling activities, eg data retention / audit requirements taking into account whether data should be retrievable and the service levels associated with this.

3.3 Removing MPAS requirements from the MRA for inclusion in a stand-alone service definition results in a reduced number of MRA provisions to be migrated into other codes.

3.4 A separate activity has been initiated to review each clause of the MRA and determine whether the provision is still required on an enduring basis; and if so, which code it should migrate to. This clause by clause traceability exercise has considered all MRA clauses and therefore taken into account provisions relating to MPAS, as well as wider provisions impacting DNOs and Suppliers. To support this activity, a set of high-level principles have been developed, which will be further refined over the next few months.

3.5 A third activity has also been undertaken to review the existing MPAS and DNO flows defined in the electricity Data Transfer Catalogue (DTC) to determine the enduring ownership and for MPAS flows, to identify if these relate to the ERDS or SMRS services. This analysis will feed into the work required to populate the Data Specification in Q1 2020, specifically the population of the enduring metadata owner.

³ This reflects the existing requirements within the MRA where transactional charges apply

4 LOCATION OF SMRS SERVICE DEFINITION

- 4.1 Section 2 sets out how the existing MPAS will be disaggregated at CSS go-live to form three separate services (CSS, SMRS and ERDS). The CSS and ERDS will be defined in the REC; however further consideration is required to determine the appropriate code to define the SMRS.
- 4.2 The June 2019 consultation highlighted governance considerations which could be taken into account when determining the enduring location, eg implementation approach, cross code governance arrangements and DNO influence within the change process.

Implementation

- 4.3 The consultation suggested that separating the governance of the ERDS and MPAS [SMRS] may result in data held within a single physical system / register (ie DNOs use a single application (MPRS) as a common platform for both the ERDS and SMRS services) being governed under two separate codes, potentially adding complexity to the governance landscape within which the DNOs operate.
- 4.4 Whilst it is acknowledged that including the SMRS service definition in a code other than REC may add complexity (under certain scenarios) to the governance landscape, it should be noted that the existing arrangements already include split governance with the MPAS provisions in the MRA; and SMRS interactions defined in the BSC. Therefore, DNOs are already required to undergo both BSC and MRA entry assessment for their roles as MPAS and SMRS providers; and are required to engage with both the BSC and MRA change process. Therefore, requiring DNOs to interact with the REC, and the BSC / DCUSA should not be used as a reason for including the SMRS service definition in the REC.
- 4.5 The proposed approach of separately defining the ERDS and SMRS services also has the potential to reduce governance complexity, as a change which only impacts the scope of the defined SMRS or ERDS services (which most changes are likely to be) will only be required to progress through the appropriate code's governance.

Cross code governance

- 4.6 A defined cross code governance arrangement is currently in place between the BSC and MRA as a number of provisions included in BSC operational procedures are duplicated within the MRA. Separating the requirements on SMRS providers to maintain a register of data, from the obligations on parties to update the register will minimise the need for cross code governance, regardless of where this service definition is located.
- 4.7 In addition, an improved cross code governance framework is being developed by the Ofgem Switching Programme to ensure changes impacting multiple industry codes (including BSC, REC and DCUSA) are progressed in a co-ordinated manner. Therefore, cross code governance should not be a factor in determining where the SMRS service definition should sit.

DNO influence

- 4.8 The June consultation stated that it is essential that DNOs have meaningful influence over the MPAS [SMRS] provisions and are able to engage in the change process. Whilst this argument may suggest that SMRS provisions should be included in the DCUSA because DNOs have significant influence within the governance arrangements; it should be acknowledged that DNOs are required to accede to both the BSC and the REC. The BSC includes DNO representation on the Supplier Volume Allocation Group (SVG) which is the subcommittee assessing changes to technical documents; and also the BSC Panel which assesses modifications to the BSC.⁴ Although the constituency of the REC change panel has not yet been determined, there is an expectation that DNOs will be represented in some form.
- 4.9 Therefore, we feel that DNOs do have influence over each of the codes being considered, although amendments to the governance arrangements may be required if the SMRS provisions are included in a code other than the DCUSA. We do not therefore believe that the existing level of DNO influence should be the main factor to determine where the SMRS service definition should sit. That said, we have asked Elexon to consider what changes to BSC governance could, if needed, be considered to provide DNOs with the confidence they require on the governance of the SMRS were the SMRS service definition to move to that code.
- 4.10 One such consideration relates to the existing BSC objectives. Historically, changes progressed to the BSC by DNOs to improve the efficiency and operation of the distribution networks have faced issues as this falls outside the scope of the applicable BSC objectives. We have held workshops with DNOs and Elexon on this issue and will undertake further work over the coming months to identify if a modification or additional guidance on the interpretation of the BSC relevant objectives is required to mitigate any material risks.

Charging

- 4.11 Clause 33 and Schedule 7 of the MRA currently specify a number of MPAS services that the DNO can apply a bespoke charge for delivering, eg full and selective refreshes. This clause also includes a cross reference to the DNO's Condition 14 Statement, Condition 18 Statement or Condition 36 Statement, as appropriate, which will specify the actual charge for each service. It is proposed that these chargeable services are identified separately within the relevant service definition document, alongside a reference to the Condition 14 Statement, Condition 18 Statement or Condition 36 Statement for the applicable charges, and potentially detail of the billing and payment method. The requirement on parties to pay these charges would be included within the relevant code, eg an additional requirement within BSCP501 or a relevant clause within the DCUSA.
- 4.12 The MRA also states that charges for the provision of those services not referred to in Schedule 7 (ie the provision of the standard MPAS) shall be recovered by each DNO as

⁴ Note the DNO representative on the BSC Panel is a non-voting member

an element of the charges which it levies on suppliers under the terms of the DCUSA. DCUSA defines the charges for the delivery of MPAS as 'Other Charges' within clause 19.2 of the DCUSA. This recovery mechanism should not be impacted by the decision on where to place the SMRS service definition. If it is included in a code other than DCUSA, then a cross reference similar to the drafting currently in the MRA will be required and references to MPAS within DCUSA will need to be amended to cover both ERDS and SMRS.

- 4.13 In order to support the DNOs charging activities, data is received from the Supplier Volume Allocation Agent (non-half hourly metering points)⁵ and non-half hourly data collectors (half hourly metering points)⁶. DNOs also send information to each supplier to enable them to validate their DUoS bills⁷. These latter two interfaces are currently classified as MRA owned; therefore, the ownership will need to change with the closure of the MRA. It is proposed that these should be included in the REC Data Specification (together with all other DTC flows) with DCUSA defined as the metadata owner. This will ensure that future changes to this interface will be managed via the DCUSA change process.
- 4.14 Therefore, we do not believe that charging arrangements, while needing to be amended to reflect the new arrangements, should be a factor in determining where the SMRS service definition should sit. Note that, as set out in Appendix 2 of the REC Technical Specification Approach consultation, we are giving further thought as to whether ERDS charges for suppliers should be incorporated within the RECCO invoice.

Conclusion

- 4.15 Further assessment following the June consultation has highlighted significant overlap / duplication between MRA provisions relating to MPAS and SMRS provisions within the BSC (specifically BSCP 501). Once the MPAS requirements relating to registration have been removed and migrated to the REC, the remaining MPAS requirements are covered within the role of the SMRS, to support settlement processes, as defined within the BSC.
- 4.16 The BSC is therefore the logical place to include the SMRS service definition, to minimise duplication across codes and provide a link between the governance of the SMRS service and the settlement processes that it supports. Conversely, although DCUSA activities relating to metering point lifecycles, eg connection / disconnection, will require updates to both the SMRS and ERDS there is minimal interaction with the SMRS, apart from provision of data updates.
- 4.17 It is therefore proposed that the SMRS service definition is included within the BSC. Consequential changes will also be required to DCUSA to amend existing MPAS references to either CSS, ERDS or SMRS as appropriate, to facilitate DUoS charging.

⁵ D0030 Aggregated DUoS Report.

⁶ D0036 Validated Half Hourly Advances for Inclusion in Aggregated Supplier Matrix

⁷ D0242 Supercustomer DUoS Daily Statement

4.18 As highlighted in paragraph 1.5, remaining MRA provisions will be migrated to either REC, DCUSA or BSC based on the high-level principles being developed.