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Making a positive difference for energy consumers

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Electricity Settlement Reform Newsletter:

August 2020 issue

Dear Colleague,

This is the fifth edition of our monthly newsletter, which provides a roundup of all that is happening within the Settlement Reform programme. This month we are focussing on the AWG's progress in July, our stakeholder events, and the potential programme governance options for implementing market-wide half-hourly settlement.

We continue to welcome any feedback on work being carried out, and also on any preferences you have for how we keep you updated on progress.

An archive of previous editions of this newsletter can be found under the Newsletter subheading on the <u>Settlement Reform webpage</u>. The first edition, <u>March 2020</u>, includes useful background information.

For any questions or feedback, please get in touch via the Half-Hourly Settlement team mailbox:

Half-hourlySettlement@ofgem.gov.uk

Settlement Reform Online Events

On July 22nd we held an online event where we presented the main developments outlined in the draft <u>Impact Assessment</u> of market-wide half-hourly settlement, <u>Consultation</u> <u>Document</u> and <u>Consumer Impacts</u> paper we published in April to stakeholders. We will be publishing the event material <u>on our website</u> shortly for those who could not attend or experienced technical difficulties.

We will be hosting another online event on 03 September at 10.00 where we will cover the further topics that stakeholders have requested. Please <u>register</u> to attend the event through Eventbrite.

MHHS implementation delivery

As part of our <u>Draft Impact Assessment consultation</u> we published in June, we set out some of the delivery functions we expect will be required to implement MHHS. This includes an overall programme manager, a system integrator, a programme party coordinator and an assurance function. We are considering where these roles should sit and have set out the key responsibilities for these roles and some examples of how we think they could be delivered in Chapter 9 of our consultation. These options include Ofgem taking the responsibility for some or all of these roles, an industry party with the relevant knowledge taking on some or all of these roles, or a third party taking on these roles on behalf of Ofgem.

We will be taking into consideration consultation responses and other evidence in deciding where responsibility for delivery functions should sit. To assist us with our evidence-gathering, we are looking more closely at the different options and how they might work. We would be keen to speak to anyone, for example any industry code body, industry body, or other party with relevant knowledge, who thinks they might be interested in taking on one or more of these roles. Please get in touch with us if you would like to talk to us about this.

We are also keen to hear from stakeholders about the options we set out in our consultation and what kind of delivery functions they feel would be appropriate to deliver MHHS.

Target Operating Model Working Groups

ELEXON have recently launched a hub page for MHHS <u>on their website</u> which brings together information on MHHS and in particular the TOM.

Due to the coronavirus national emergency and the subsequent social distancing measures put in place by the Government, the CCDG and AWG meetings continue to be conducted remotely. Further information on our approach to the TOM working groups during this time can be found in the May edition of our newsletter.

Code Change and Development Group (CCDG)

There was no CCDG meeting in July; instead, members have reviewed one of the working documents and various action updates by correspondence. They also reviewed the list of business requirements for the interface between Registration to/from Metering Services and Registration to/from Data Services after a workshop they attended with the subgroup members.

Next CCDG meeting: At CCDG08 on August 18th the group will continue to review subgroup outputs. It will continue working towards finalising the approaches to exception reporting and settlement run-off, and will discuss requirements around erroneous transfers. The agenda for CCDG08 on 18th August 2020 will published on the ELEXON website.

Architecture Working Group (AWG)

AWG08: 17th **July 2020:** At AWG08, ELEXON brought the Registration Interface document to the group for approval. The members agreed the interface documents, but noted they could be subject to change as MHHS develops and that they will need to reassess the documents prior to the formal consultation.

The group agreed a list of business processes that are required for settlement. The group agreed to expand and develop each process so they can be included in the Solution Architecture Document. You can find more detail in the <u>AWG08 headline report</u>.

Next AWG meeting: at AWG09 on 25th August 2020 the group will review the business processes worked up by members since the last AWG.

Sub-group updates

Code change and central body sub-group: The code body representatives are continuing to work on incorporating the feedback they received from the CCDG into the matrices that identify affected areas of their code documents and share any outstanding questions with the group. We are continuing to discuss with the representatives from the code administrators to address any outstanding questions. These matrices will ultimately feed into the CCDG consultation, along with the CCDG's work on the detailed TOM design areas. Representatives from SEC and DCC took a proposal for a new user role to deliver the TOM to the SEC Technical Architecture and Business Architecture Sub-Committee (TABASC)

on August 6th, which was approved. This means the affected areas of the SEC can now be identified.

AWG/CCDG subgroup update: As agreed in the AWG04, a sub-group made up of members of both the CCDG and the AWG has been formed to identify the business requirements for data exchange, to help the AWG prepare specifications for the interfaces between TOM services. This group has met seven times and has completed an initial tabulation of the interactions between metering services and the Registration Service (SMRS), SMRS and the TOM data services, and SMRS and BSC central services. The group has progressed to looking at the interactions between the TOM metering services and the TOM data services. The tabulations include the information that will need to be exchanged to enable the TOM, identify the parties sending and receiving data, and include estimates of the expected frequency and size of the data exchanges. As these tabulations are completed, they will be used to populate the interface documents the AWG will use as part of the solution architecture recommendations.

Data Access Framework Discussion Group (DAFDG)

We have set up a small group of suppliers to discuss some of the more detailed issues relating to the access to data framework under MHHS. The group of stakeholders was compiled following various calls for volunteers to assist with these discussions in the past.

The first meeting is scheduled for Friday 28th August. Topics for discussion at the first meeting include the potential for collecting data about consumer opt-outs, the customer smart meter journey as it relates to the MHHS data framework and the use of data for forecasting. The group will likely meet every 5-6 weeks, depending on necessary topics for discussion.

If any other suppliers are interesting in participating in this group, please contact us at Half-hourlySettlement@ofgem.gov.uk. We will communicate the results of the discussions to stakeholders in future editions of this newsletter.

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¹ More details can be found on the <u>TABASC 56 page</u> on the Smart Energy Code website.