



Making a positive difference  
for energy consumers

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## **Electricity Settlement Reform Newsletter:**

### **October 2020 issue**

Dear Colleague,

This is the seventh 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 progress of the TOM industry working groups in September. We have also provided a new [TOM design tracker](#), to help you monitor when issues are discussed in the working groups, and what conclusions have been reached.

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 [Settlement Reform webpage](#). The first edition, [March 2020](#), includes useful background information.

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

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## Draft Impact Assessment Consultation

Our [Draft Impact Assessment consultation](#) closed on September 14<sup>th</sup> and we are reviewing the responses from stakeholders. We will be publishing [the non-confidential responses](#) on our website.

## Target Operating Model Working Groups

ELEXON have recently launched a hub page for MHHS [on their website](#) which brings together information on MHHS including a recorded webinar explaining the DWG Preferred TOM, the settlement timetable and the high level transition approach.

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)

**[CCDG09: 15<sup>th</sup> September 2020](#)**: The group agreed the contents of Working Document B that sets out the approaches to GSP group correction factors and scaling weights and agreed Working Document C that sets out the settlement run-off arrangements. The group further discussed the approaches to change of meter/market segment and demand control events. You can find more detail in the [CCDG09 headline report](#) on the ELEXON website.

The main points of note from the above CCDG discussions are as follows:

- The approach to GSP group correction that was agreed by the CCDG was to remove “competing corrections” by calculating separate correction factors for import and export. For scaling weights, the group agreed that scaling weights should be higher for estimated volumes such as losses and estimated energy. The group agreed that the new scaling weights should be implemented at the beginning of the migration period, and the existing consumption component class (CCC) IDs and associated GSP group correction factor scaling weights will be revised to align with the new values at the same time.
- The approach to settlement run-off agreed by the group is to ‘freeze’ NHH data in settlement for MPANs once they have been migrated to the TOM. Data in legacy NHH systems would only be amended in cases of material settlement error. The ‘freeze’ would occur for individual MPANs as they migrate, and NHHDCs once their NHH portfolio falls below a critical level. Material errors will still be corrected, outside the Volume Allocation processes, for example through Extra Settlement

Determinations. For the existing half-hourly market, the transition would take place when the HHDA has been de-appointed. It should also be noted that there will be extended software support for centrally provided NHH agent software for the period of migration and run-off.

- To address the potential issues around validation for supplier agent appointments when a customer is undergoing a change of TOM market segment by undertaking a change of meter type, the CCDG has agreed to introduce a Change of Segment Indicator data item in SMRS. This would indicate that the supplier intends to change the meter type, and allows them to appoint the appropriate agents for the new meter segment, but these appointments would only become active when it has been confirmed that commissioning of the new meter has been successful.

**Next CCDG meeting:** At CCDG10 on October 20<sup>th</sup> the group plans to review and sign off Working Document A, which sets out the approach to various design areas including registration data items and appointments, exception reporting, and change of market segment. The group will also be joined by colleagues from SECAS to discuss the potential impacts of the TOM on the SEC. The agenda for CCDG10 has been published [on the ELEXON website](#).

## **Architecture Working Group (AWG)**

**AWG10: 22<sup>nd</sup> September 2020:** At AWG10, the group went through and agreed the [AWG Product Description](#). This document sets out the different phases of the technology programme, the components and outputs of the AWG and an indicative timeline. The group also went through the Risk Assessment, which members of the AWG worked up since the last AWG meeting. The risks have been split up into four areas: data availability, data security, technology issues and industry issues. The group discussed the first risk concerning timings of data transition. A number of considerations were discussed including whether consumption data should be made available as soon as it is ready following collection and processing, or whether it should be held and made available as a batch. The AWG will come back to this discussion at a future meeting, when the data exchange requirements have been fully documented through the business process models and after completion of the architecture risk discussions which are also guiding the AWG towards the most suitable technology recommendation.

The group then went onto discuss data integration technology patterns, and the ELEXON Technical Lead explained the different methodologies, features and patterns for the different technology types (such as Managed File Transfer/Electronic Data Interface, Message Orientated Middleware (MOM), Enterprise Service Bus (ESB), Application

Programming Interface (API) etc). You can find more detail in the AWG10 headline report which will be published on the [ELEXON website](#).

**Next AWG meeting:** at AWG11 on 27<sup>th</sup> October 2020 the group will discuss the Data Security and Technology sections of the Risk Assessment, the interfaces related to the Industry Standing Data and will review the additional Business Process Models that have been worked up by the members since the last meeting. The agenda for AWG11 will be published [on the ELEXON website](#).

## **Sub-group updates**

**Code change and central body sub-group:** Representatives from the BSC, CUSC, DUCSA, DCC, MRA, and SEC are working to tabulate the areas of the code and subsidiary documents, which are impacted by the TOM. These matrices will ultimately feed into the CCDG consultation, along with the CCDG's work on the detailed TOM design areas.

The draft SEC impact matrix is being prepared for review by the CCDG at the October meeting. For the CUSC impacts, the TCR CUSC modifications are expected to be delivered soon and the ESO is preparing an approach to the changes required for MHHS to discuss with the CCDG. More information about the Access and Forward Looking Charging SCR decision is needed to understand the impacts on the CUSC.

**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.

The subgroup has now agreed that a first pass of all the tabulations has been completed. These have been available for CCDG members to review. The subgroup are now working to identify the outstanding details of the business processes that still need to be defined. The subgroup held a meeting on October 16<sup>th</sup> to discuss the approach to recording a customer's data sharing preferences.