Making a positive difference
for energy consumers

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Electricity Settlement Reform Newsletter:

November 2020 issue

Dear Colleague,

This is the eighth 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 October.

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. There is a tracker on our website that links to relevant papers by topic that is updated every month when we publish the newsletter.

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

Half-hourlySettlement@ofgem.gov.uk

Draft Impact Assessment consultation

We have now published the non-confidential responses to our draft Impact Assessment on our website.

Target Operating Model Working Groups

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)

The CCDG plans to publish the consultation on the detailed design areas and code change matrices on December 17th 2020 on the Elexon website. The consultation will be open until January 26th and there will be a stakeholder event in January to ensure respondents understand the proposals and have a chance to ask questions. Ofgem encourages experts from across industry to engage with and respond to the consultation to ensure that the CCDG's recommendations to Ofgem are robust.

CCDG10: 20th October 2020: At CCDG 10 the group agreed the contents of 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 was also joined by colleagues from SECAS and DCC to discuss the draft SEC code change matrix. You can find more details in the CCDG10 headline report on the Elexon website.

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

- Measurement Classes and Consumption Component Classes (CCCs): the CCDG agreed the approach to remove Measurement Classes, which avoids the need for mass Change of Measurement Class (CoMC) during migration for customers in the smart and non-smart market segment. The DWG has already recommended that Profile Classes be removed. The CCDG agreed that the following set of CCCs should be used under the TOM:
    - Segment Indicator: Smart and non-smart, advanced and unmetered
    - Measurement quantity: Active Import, Active Export
    - Consumption/Line Loss
    - Voltage Level and Connection Type Indicator: Low Voltage whole current, Low voltage with CT, High voltage with CT and Extra high voltage with CT
    - Estimate/Actual: Actuals, Estimates (UMS only) and different groupings of estimate types based on quality (advanced and smart and non-smart)

- Industry standing data: The CCDG agreed the approach that data held in Market Domain Data (MDD) at the end of the transition that is not required in the target end state, should be removed. This would include data that is only required for NHH settlement. Where appropriate some of these data items would be replaced by their TOM equivalent, for example the existing GSP Group scaling weights will be replaced by the TOM set which were discussed in the October edition of this newsletter. The CCDG agreed a new market segment ID table should be added, linked to the new CCC table, and expressed a preference to split the Line Loss Factor Class (LLFC) ID into two data items, the LLF and a distribution charging and/or load managed area identifier.
- The approach to TOM Service Appointments: The CCDG agreed the approach that functionality should be added to the registration service (SMRS) to allow it to notify service appointments, and receive rejections if the service wishes to reject the appointment. Suppliers would notify appointments directly to SMRS, SMRS would notify the service, the service then either accepts or rejects the appointment, and SMRS notifies the supplier of the rejection/acceptance. The CCDG believes this allows appointments to be executed promptly, compared with the current process, and will mean the SMRS view of appointments is a true reflection of settlement responsibility. The group also agreed to introduce a set of new data items held in SMRS to facilitate the appointments and other TOM processes.
- Exception reporting: The CCDG agreed the approach that BSC central systems will not verify whether the data service has an accurate view of the information related to an MPAN in registration as this would be disproportionate with the large number of MPANs under the TOM. Instead there would be an obligation on the data services to use updated registration data within a reasonable timeframe to be determined by system capability to ensure that the most up to date data is processed.
- Erroneous transfers: The CCDG continued their discussion and agreed that they did not feel it was proportionate to create a process to move settlement volumes between the erroneously gaining and losing suppliers under the TOM. The group also agreed to include questions in the December consultation to seek information from wider industry on what the potential impact of this approach would be.
- Related MPANs: The CCDG agreed the approach that there is no settlement need for them under the TOM end state, but that there may continue to be non-settlement reasons to keep them. The group agreed that existing related meters should remain but that no new related meters should be created, based on the assumption that by the end of the transition to the TOM smart meter variants for customers who currently require an additional meter will be readily available. The CCDG plans to include a question in the December consultation to seek information from wider industry on whether this assumption is valid.

Next CCDG meeting: At CCDG11 on November 17th the group plans to agree the BSC, MRA and DCUSA change matrices and agree the key messages and questions for the consultation. The agenda is available on the Elexon website.

Architecture Working Group (AWG)

AWG11: 27th October 2020: At AWG11, the group discussed industry standing data (which is currently named Market Domain Data (MDD)) and what interface method would be most suitable to exchange the data between Central Settlement and industry participants. The group came to no formal conclusion on this and instead referred it to a breakout meeting to discuss further. The group members also went through the 'Industry Change' Risk Assessment criteria and how these may impact the architecture choices resulting in the eventual recommendation and consultation.

Next AWG meeting: at AWG12 on 24th November 2020 the group will discuss the full set of interface specifications and seek group approval of their content and structure, as far as they can be completed at this time.

Sub-group updates

Code change and central body sub-group:

Representatives from SECAS and DCC joined CCDG10 to present the SEC change matrix, which mainly focuses on the creation of a new SEC User role for the Meter Data Retrieval service, and the validation to ensure that the MDR is appointed for the metering system. The group also discussed the target response time for all MHHS settlement requests for data, which has been proposed by the TABASC to be 24 hours to allow for DCC network traffic to be managed effectively.

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. They completed this work recently, and are now meeting regularly again to review the TOM business process diagrams the AWG has produced and answering outstanding questions. The outstanding questions include the approach to retrospective data service appointments, what the appropriate default time of day is for data items that are currently days, closing and opening reads for non-smart meters, and the treatment of de-energised sites.