Switching Programme – Industry Engagement Day
Planning for Enactment and Delivery

21 May 2018
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Welcome and objectives

Key points:
1. In preparation for the Switching Programme May Consultation, Ofgem is commencing stakeholder engagement on the progress of the programme and the expected content to be included in the consultation.
2. The aim of this roadshow is to:
   a. Update stakeholders on the progress of the programme;
   b. Provide detail on the content of the May Consultation;
   c. Provide information on the roles and responsibilities during the Enactment and DBT phase;
   d. Clarify the change management process for changes to programme documents, including the design baseline, delivery approach and once baseline, the Retail Energy Code
Overview of Programme

Key points:
1. In the Outline Business Case which we published in February of this year, we set out the key activities for the programme for this year.
2. This activities include:
   a) Publication of Design Baseline 4 (currently anticipated in June)
   b) DCC and Ofgem procurement processes
   c) Development of switching regulatory framework and requirements; and
   d) Mobilisation for the DBT phase.
3. There has been significant progress on these activities.
4. Ofgem and DCC are currently undertaking a detailed DBT planning process to confirm anticipated timeframes for the mobilisation and implementation of the programme.
5. Once this is completed, Ofgem and DCC will be coming to speak with industry to discuss the anticipated timeframes.
Switching Programme Phases

PHASE 1

Blueprint

ACTIVITY

• Define new market arrangements in a Target Operating Model (TOM) including Delivery Strategy
• Consultation and Decision (with IA) on preferred outcome

PHASE 2

Detailed Level Specification

ACTIVITY

• Define in detail how reforms will work
• Develop detailed requirements for procurement and code/licence changes

PHASE 3

Enactment

ACTIVITY

• Draft and enact modifications to codes and licences (including further consultation – as required)
• Changes made to codes and licences
• Central Switching Service procured

PHASE 4

Design, Build and Test

ACTIVITY

• Systems designed, built and tested.
• Transition scheme executed

PHASE 5

Post Implementation

ACTIVITY

• Support
• Monitoring & Evaluation
Switching Programme Progress

**Design**
- Developed, published and consulted on our Design Baseline 3
- Defined the End to End switching arrangements including a design and data model and a solution architecture
- Ongoing work on finalising the documentation for Design Baseline 4

**Impact Assessment**
- Developed and published a robust Impact Assessment to support our revised proposals (Reform Package 2A).
- Developed and published an Outline Business Case and updated Impact Assessment

**Procurement**
- Ofgem has agreed DCC’s Procurement and Commercial Strategy as basis for DCC to further develop its approach to procurement
- DCC have held market engagement events with potential bidders which have shown high-levels of interest
- Developed and published consultation on potential role of UK Link as a provider of the Central Switching Service (CSS).
- Undertook assurance on existing system providers ability to provide the CSS service
- Natasha Hobday identified as industry representative for DCC procurement process
Switching Programme Progress

Governance
- Independent plan assurance completed which confirmed robustness and achievability of our programme plan.
- Redesigned governance structure to support Enactment phase of programme
- Approved roles and responsibilities for the implementation of the programme

Delivery
- Defined the delivery approach including transition and data migration plans
- Pre-implementation data activities for existing system providers communicated to industry
- Design and delivery roadshop with existing system providers completed in March

Regulatory
- Lawyers contracted and currently working on the establishment of the Retail Energy Code
- Developed approach to transitional obligations
- Drafting the operational schedules to implement the new switching arrangements
Scope of May Consultation – Retail Energy Code

Key points:
1. REC v2.0: Caroline
2. REC Governance: Jon
The REC is being developed in three distinct phases:

**REC V1.0 - transitional**
- Learning lessons of other programmes such as Project Nexus and Smart metering, we are taking the opportunity to codify some of the transitional requirements we have of industry parties, thereby increasing assurance that they will be completed on time/budget and to the desired standard.
- However, this will be at a relatively high principles level, providing a governance ‘hook’ for the more detailed requirements that may be produced by a system integrator or other bodies at a later stage.
- Designation of code upon licence changes coming into effect.

**REC V2.0 – switching arrangement**
- First draft of the code provisions as we expect them to look at CSS go-live – circa 2020;
- Initial focus will be on the roles and responsibilities of parties, including the CSS, involved in the switching process.
- Features of code design and governance include:
  - Designed to be a plain English, web enabled document;
  - Change process facilitated by a suitably empowered, resourced and accountable Code Manager;
  - Greater flexibility – targeting of obligations & clear path to derogation/exemption, rather than one-size fits all
- V2.0 will be given effect through Ofgem directed modifications to the REC (alongside other codes)

**REC V3.0 – all relevant retail arrangements**
- Migrate residual elements of the SPAA and MRA (or other codes) as appropriate;
- Changes will be progressed through normal code modification procedures – including those of the REC;
- Timetable for this work is under consideration – conceivable it could happen in parallel with 2.0 – we’ll come to that later today.
REC v2: Structure AND Operational Schedules
Plain-English, user-friendly - accessible to current and future market participants.

- Significant online features, allowing parties to interact in a tailored way eg viewing only those section of interest (having a concept of ‘favourites’), searching by topic, market participant obligations, drill down on defined terms.

- We have used the FCA handbook at a model and will continue to liaise with FCA so that when the ‘eREC’ goes lives it will incorporate latest thinking.
**RECv2 Components**

- **Legal and Governance Framework**
  - Defines the rules and processes for licensed and other parties in relation to customer switching and other retail functions.
  - Provides the legal and governance framework for the new switching arrangements, CSS and its users.

- **Operational Arrangements (Schedules)**
  - To facilitate interoperability between parties and central market systems.

- **Central Systems and Data Transactions (Technical Documents)**
  - To ensure central systems support the different functions of the retail energy market.
  - Describes the technical requirements for the CSS.
  - Defines interfaces, data transaction requirements, security protocols and standards.
  - Provides the user requirements to enable parties to interface with the CSS.
Operational Schedules - layout

Designed to be clear and easy to read – positive feedback so far!

To enhance readability, each schedule incorporates:
- High level text setting out key obligations and providing context, AND
- Interface tables that step through the processes and touchpoints between market participants and CSS.

No legal distinction between the text and tables
This covers the registration (and related) activities undertaken by the CSS and the interactions between the CSS and Central Services and Energy Suppliers.

The majority outlines how a Registration Request moves through statuses (covering happy/unhappy path) and how a Registerable Meter Point’s (RMP) Registration Status is updated for the gaining and losing supplier.
This requires the CSS and other market participants, to comply with key Technical Documents eg Data Catalogue, interfaces, response principles etc.

It provides an overview of the CSS Message Types used in the other Operational Schedules. Examples include:

- Notification message FROM CSS to inform market participants of a Registration Event
- Synchronisation message FROM one Central Data Service TO another Central Data Service to align its data

It describes the processes around the collation and provision of Switching Domain Data by the Code Manager to the CSS and other Market Participants. Examples include,

- ‘Market Participant Events’ eg ‘Market Entry Unqualified’ and ‘Market Exited’; and
- ‘Switching Reference Data’ eg ‘Registration Event Type’
This outlines the requirement on CSS to:
- Create/maintain the REL Address; and,
- Hold a list of standardised GB addresses (to be used as one reference when ensuring the quality and accuracy of the REL)

It also sets out how the responsibilities of other market participants in updating the MPL and REL Address.

**REL Quality:**
- We intend that the REC will contain a data quality objective and quality standard on the DCC around the REL address.
- We are considering how best to set the standard and how performance can be incentivised.
- We do not propose to prescribe how DCC meets the standard, but are considering a requirement on DCC to set out how it plans to meet the standards and tracking of performance against this at the end of each year.
We have talked today (and at length in RDUG, etc) about how we expect the REC to better balance the needs of all parties, between the his outlines the requirement on CSS to:

- Hold a list of standardised GB addresses (to be used as one reference when ensuring the quality and accuracy of the REL)

It also sets out how the responsibilities of other market participants in updating the MPL and REL Address.

**REL Quality:**

- We intend that the REC will contain a **data quality objective** and **quality standard** on the DCC around the REL address.
- We are considering how best to set the standard and how performance can be incentivised.
- We do not propose to prescribe how DCC meets the standard, but are considering a requirement on DCC to set out how it plans to meet the standards at the start of the year and tracking of performance against this at the end of each year.
**REC governance structure**

**RECCo Board**
- **REC Compliance and Direction**
  - Providing a strategic direction to the REC Panel to ensure operations and governance arrangements facilitate the achievement of the REC mission statement.
  - Overseeing parties’ compliance with the REC obligations and performance of the REC Panel and Manager.

**REC Panel**
- **REC Operational Decisions**
  - Responsible for the day to day operations of the REC and ensuring the REC is managed in line with its operational objectives.

**REC Manager**
- **REC Champion and Delivery**
  - Responsible for planning and managing the delivery of REC services in line with its operational objectives.
  - Acting as a custodian of the governance arrangements: champion of innovation

**Sub-Committees & Work Groups**
- **REC Operational Solutions**
  - Responsible for developing solutions and informing operational decision-making by the REC Panel and Change Board.
Break
Scope of May Consultation – Transitional Obligations

Key points:
All relevant licences expected to **accede to and comply** with the REC – expected to take effect Dec 2018. Relevant licensees expected to include:

- All licensed gas and electricity suppliers;
- Gas Transporters;
- Electricity Distributors; and
- The DCC.

Through this condition we will obligate REC Parties to comply with the transitional requirement schedule that forms the substantive content of REC v1.0. More of that later.
We also propose to embed some of the recent lessons learnt into standard industry practice (i.e. those requiring large scale and mutually dependent systems changes). Text along these lines would be inserted into licence wherever reference to the SCR process appears:

“The licensee will cooperate, as necessary, with any person(s) appointed by the Authority or appointed pursuant to a Direction of the Authority, to undertake any planning, project assurance or coordination/systems integration in order to give full effect to the conclusions of a significant code review. Such cooperation may include but not be limited to:

a) the sharing of such information as reasonable, and constructive participation in industry engagement in order to undertake appropriate planning of changes to IT systems or industry standard operational processes system changes pursuant to the conclusions of a SCR;

b) the provision of such data as may be identified and reasonably requested in order to undertake testing and/or the population of any new central systems;

c) the preparation and cleansing of such data as may reasonably be requested in order to facilitate live operation of the new central system;

d) the provision of test scripts and results of any testing as may be requested by any person appointed to assure the success of any testing;

e) reasonable endeavours to:
   i) meet [key] programme milestones for the completion of any action(s) assigned to the licensee;
   ii) adhere to any remedial plan put in place to address any issues, delays or slippage that may impact the licensees ability to meet programme milestones, to the extent that failure to do so may jeopardise the successful and timely implementation of the programme; and
   iii) promptly escalate and/or resolve any disputes that if unresolved may jeopardise the fulfilment of [these obligations].”
It is anticipated that either through a direct obligation to accede to the REC, or indirectly through the duty to cooperate and/or through obligations being backed off in contract, we will ensure that all relevant parties are engaged in in transitional period and appropriately accountable for any deliverables that fall upon them.

The roles and responsibilities of parties and agents within the programme, together with the timeline over which they are expected to discharge them, will be set out in a transitional requirements schedule, which in turn links to plans for each phase, as follows:

- E2E Transition Plan;
- E2E Design and Build Plan;
- E2E Testing Plan;
- E2E Integration Plan;
- E2E Post-Implementation Plan;
- E2E Data Migration Plan.

Whilst these document will be incorporated by reference within the REC, we propose that change control of them continue to rest with programme governance, thereby ensuring that they are adhered to, but remain flexible.

Q: The transition plans require certain activities to be undertaken by existing central data providers, e.g. CDSP and MPRS; do you consider that it is appropriate to rely upon licensees being able to back-off obligations upon them, or should REC participation be extended (at least for v1.0)?
Scope of May Consultation – Licence Obligations

Key points:
1. Sets out our proposal to extend DCC’s licence obligation in respect to the Switching Programme to include the incorporation, delivery and provision of the Centralised Registration Service.
2. Sets out our proposals for DCC’s cost recovery framework including charging methodology and price control to ensure that DCC is resourced to economically and efficiently meet its obligations.
DCC licence modification
• DCC’s licence sets out obligations on DCC during the Transitional Phase of the Switching Programme up to contract award

• We consulted at the end of last year and published a decision in principle in our OBC to extend DCC’s role to be responsible for DBT and operation of the CSS

• We need to put in place a new licence obligation on DCC to cover these activities

• The licence change needs to be in place ahead of the first contract being signed (currently scheduled to be the SI in December 2018)

• We are now carrying out an initial policy consultation on draft modifications ahead of Stat Con in the Autumn and invite you view on the proposed modifications. We are taking a principles based approach

• DCC’s role would be in the context of Ofgem remaining the overall programme sponsor and design authority, with implementation supported by independent coordination, assurance and integration functions
Proposed modifications

We intend to make modifications to (additions marked in RED)

• Condition 15: Incorporation, **delivery and provision** of the Centralised Registration Service Introduction
  Outlined further in next slides

• Fundamental Registration Service Capability definition:
  means Relevant Service Capability that is provided in respect of the Centralised Registration Service and
  procured by the Licensee in accordance with Condition 16. **This represents the new, enduring capabilities
  upon which the end to end arrangements of the Central Switching Service is based and as directed by the
  Authority.**

• **Condition 21**
  *Addition* of a requirement that DCC should become a party to and comply with the Retail Energy Code
  ensuring that DCC operates in accordance with the agreed implementation performance and reporting
  regime set out within the REC

• **SCR**
  *Addition to licence (position tbc) in line with other licence modifications. TBC regulatory design*
Part A: Interim Centralised Registration Service Objective of the Licensee

- This is an expansion of the existing condition to cover DBT and Post-Implementation
- Responsibility to deliver the required services to operate the switching arrangements during DBT including the CSS, system integrator and core systems assurance
- The objective will set out a broad role for DCC including:
  - establishment and maintenance of a Central Switching Service design baseline and design authority function in accordance with the requirements in the Retail Energy Code;
  - proactive data stewardship for the Retail Energy Location Address that will lead to a very high level of accuracy for registerable meter points; and
  - provision of a secure and robust communications network that meets the requirements of the programme.

- As the energy market is evolving we believe it is important that any procured services are capable of efficiently and economically adapting to future market requirements and as such we are proposing adding a condition to reflect this explicitly
Part AA: General Centralised Registration Service Objective of the Licensee

- This is a new section to condition 15 covering the steady state operation period
- This would include an objective for the provision and management of a reliable, efficient, economic and secure CRS that will improve consumers’ experience of switching.
- The objective will set out a broad role for DCC including:
  - maintenance of a Central Switching Service design baseline and design authority function in accordance with the requirements in the REC;
  - provision of a prompt and constructive approach to support change management including the economic and efficient adaptation to meet future market requirements; and
  - as with the interim objective this also includes an objective in relation to proactive data stewardship and provision of a secure and robust communications network.

The delivery and operation for the CSS will be open to review as to whether it remains the correct model. One opportunity for review would be the end of DCC’s current licence term (September 2025). This would be an appropriate time to consider whether provision of the CSS should form part of the retendered licence or whether it would sit better elsewhere, for example with the REC.
Funding arrangements:
• Charging arrangements to remain in the SEC until the enduring REC is established

Price control:
• Taking into consideration the uncertainty and proportionality of the DBT and Post Implementation phases we propose to continue to ensure DCC incurs costs in an economic and efficient manner through an ex post plus arrangement:
  – DCC should develop a business case setting out its role, activities and deliverables for these phases detailing the resource requirements to meet these along with the anticipated costs;
  – the business case will be baselined for programme reporting purposes
  – business case to be developed with input from and consultation with Ofgem and programme stakeholders
  – initial work by DCC on DBT business case to start summer / autumn this year

Margin & Incentives
• Any licence obligations should be underpinned by an incentive/sanction regime to encourage behaviours in line with the principles of the programme and mitigate delivery failures by any party
• We are planning consult and direct on DCC’s margin and incentives in parallel to the licence modifications
New standard condition to be placed into the licence of the gas and electricity suppliers:

- Accede to and comply with the REC
- Other provisions on what the REC must contain will follow the template used for the SPAA – at this time they can be limited to those required to give effect to REC v1.0
- We would expect to make a wider set of licence modifications (potentially removing redundant conditions) alongside the SCR enactment – i.e. at CSS go live.

Obligations on network operators will be limited to accede and comply. We consider that this can be readily achieved by adding the REC to the list(s) of codes to which they must be part. E.G. we could modify the existing one line condition of SLC 14 as follows:

**Condition 14: The Supply Point Administration Agreement**

The licensee shall become a party to and thereafter comply with those provisions of the Supply Point Administration Agreement relevant to it.

Becomes:

**Condition 14: Compliance with Core Industry Documents**

The licensee shall become a party to and thereafter comply with those provisions of:

i) the Supply Point Administration Agreement; and,

ii) the Retail Energy Code

that are relevant to it.

Q: Do you agree that we should make minimal modification to licence at this time, pending conclusion of the SCR?
Taking on board discussion from today:

1. Initial policy consultation on draft licence modifications (end May ’18 – 8 weeks)
2. Review feedback from consultation and update licence modifications accordingly with input from Programme Forums (Q3 ’18)
3. Statutory consultation on proposed licence modifications (Q4 ‘18)
4. 56 day stand still (Q4 ’18)
5. Licence modifications in place ahead of reaching preferred bidder stage and before any contract negotiations with potential service providers

*Depending on timing of modification and procurement of the SI function we may need to issue a direction to DCC to enter into contract with the SI

Commercial discussions on price control and incentive frameworks for DBT will progress in parallel to the proposed timeline above
Lunch Break
Scope of May Consultation – Scope of the Significant Code Review

Key points:
• A lot had changed since the launch of the switching SCR in Nov 2015
• We signalled in that launch statement that we would refine the scope of the SCR over time, if appropriate; before doing so we would consult
• We indicated in the Feb 2018 OBC that we were minded to consult on the scope of the SCR; today will help us shape how far those proposals may go.
The REC is envisaged to house all retail arrangements. Its full scope will be developed and designated in stages.

The Switching Programme will be responsible for developing REC Version 1 and 2 content to home the new dual fuel switching arrangements.

The remaining REC content (REC V3+) not relevant for switching could either be developed by industry after the new switching arrangements and Central Switching Service (CSS) has been implemented or in parallel with the Programme.

The parallel development of REC V3+ content by industry should deliver the full benefits of the REC sooner.

As the REC is expected subsume the MRA and SPAA, the content and assets of these codes will need to be managed out to the REC or elsewhere in a coordinated manner.
Development of REC content and managing out of scope content from the MRA and SPAA
The REC is envisaged to house all retail arrangements. Its full scope will be developed and designated in stages.

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• However, this will be at a relatively high principles level, providing a governance ‘hook’ for the more detailed requirements that may be produced by a system integrator or other bodies at a later stage.
• Designation of code upon licence changes coming into effect.

REC V2.0 – Switching Arrangement
• First draft of the code provisions as we expect them to look at CSS go-live – circa 2020;
• Initial focus will be on the roles and responsibilities of parties, including the CSS, involved in the switching process.
• Features of code design and governance include:
  • Designed to be a plain English, web enabled document;
  • Change process facilitated by a suitably empowered, resourced and accountable Code Manager;
  • Greater flexibility – targeting of obligations & clear path to derogation/exemption, rather than one-size fits all
• V2.0 will be given effect through Ofgem directed modifications to the REC (alongside other codes)

REC V3.0 – All relevant Retail Arrangements
• Migrate residual elements of the SPAA and MRA (or other codes) as appropriate;
• Changes will be progressed through normal code modification procedures – including those of the REC;
• Timetable for this work is under consideration – conceivable it could happen in parallel with V3.0.
Authority Oversight and Strategic Steer

- **REC V1 Development**
  - Requires close coordination to ensure the remaining content is developed in line with Ofgem’s vision for the REC and set design principles.

- **REC V2 Development**
  - Sequential development of remaining REC content will bring forward the benefits of the full REC.

- **REC V3+ Development**
  - Refers retail arrangements in existing codes that are not expected to change by the implementation of the new switching arrangements (including the CSS) but are envisaged to be in scope for the full REC.

- **Managing out remaining content from MRA and SPAA**

* Refers retail arrangements in existing codes that are not expected to change by the implementation of the new switching arrangements (including the CSS) but are envisaged to be in scope for the full REC.
**Strawman Approach**

**REC Development Workstreams**

Coordinated delivery of the full REC content and the managing out of scope content from the MRA and SPAA (e.g. a Joint Industry Plan)

**Workstream A – Development of REC Content**

**Objective:** To harmonise dual fuel retail arrangements for existing codes, and re-modelling existing single fuel retail arrangements to ensure these align with the REC design principles prior to being incorporation into the REC. **NB:** REC development could be progressed sequentially by one work group (adopting its membership depending on the REC scope), or be progressed in parallel by multiple work groups.

**Workstream B – Transfer of Existing Assets to the REC**

**Objective:** To identify existing assets from the MRA, SPAA and any other codes that are in scope of the REC, and to provide legal and financial options for transferring such assets.

**Workstream C - Managing Out of Residual Content from MRA and SPAA**

**Objective:** To identify the best home for residual provisions from the MRA and SPAA that cut across retail and network sector. Where determined that the REC is the best home for these arrangements, develop a harmonised solution for incorporating these into the REC. Where determined to be out of scope of the REC, coordinate with the relevant code for the transfer of these arrangements.
Breakout into groups of 10-12

Discuss the following

Retail Energy Code:

1. What isn’t clear, or you are concerned about with respect to the proposals for the REC?
2. What are you supportive of with respect to the REC?
3. Is there anything additional that needs to be considered?
Governance, Roles and Responsibilities

Key points:
1. Purpose of this section is to step through the broader programme governance structures and the roles and responsibilities, as well as discuss industries specific responsibilities during the Programme.
2. This is linked with the discussion earlier on the Transitional obligations places on licenced parties, however it will.
3. We would also like to discuss the key interactions Service Providers will have with other parties in the Programme, such as the Ofgem, the Programme Coordinator, the System Integrator, the DCC, the CSS providers and market participants.
Ofgem Programme Sponsor and Senior Responsible Officer

SRO Advisory*

Programme Assurance*

Programme PMO*

Core Systems Assurance

CSS Provider
Address Service Prov
Service Mgmt Prov
CES Providers ~
Comms Providers
Xoserve - UKLink
Xoserve - DES
St Clements/DNOs - MPAS
MRASCo - ECOES
DCC - DSP
RDPs

Core Systems Integrator

DCC Procurement and Contract Management and accountability for system integration

Licenced Party Coordinator*

Licenced Party Assurance

Suppliers
IDNOs
GTs
IGTs
DNOs
Shippers
Agents
MAPs

* - These functions could be provided by one party under contract to Ofgem, subject to resolution of any conflicts of interest
~ - CES Providers TBC
Current Programme Governance

CEO-based forum “direction of travel”

Ultimate Decision Maker

Senior Advisory

Delegated Design Decision-Making

Engagement and Advisory

Regulatory Design User Group
Design Forum
Delivery Forum
Commercial Forum
Security Advisory Group

Steering Group (SPSG)
SRO advised by Programme Board
Delivery Group (SPDG)
Technical Design Authority
External Design Advisory Group
Engagement and Advisory (Blueprint Phase Only)

Switching Programme Management, PMO and Design Impact Assessment Team (DIAT)

DLS Phase Only
### Governance Transition 2018

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<td>Closed down. Attendees to start attending relevant working groups.</td>
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<td><strong>Regulatory Design User Group</strong></td>
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Governance should be flexible and iterative to respond to emerging risks. Ofgem retains the ability to amend the governance structure to respond to any relevant risks.
Governance should be flexible and iterative to respond to emerging risks. Ofgem retains the ability to amend the governance structure to respond to any relevant risks.
Proposed Delivery Governance

CEO-based forum “direction of travel”

Ultimate Decision Maker

Steering Group

SRO advised by Programme Board

Delivery Group

Data Working Group

Testing Working Group

Cutover Working Group

Post Implementation Working Group

Design Authority

Regulatory Design Group

Risks and Issue Advisory Group*

Security Advisory Group (NDA)

Risk Advisory

Delivery

Design

Regulatory

* Necessity of Risk and Issues Advisory Group still undecided

Senior Programme Management, Programme Coordinator, PMO and Design Impact Assessment Team (DIAT)
Breakout into groups of 5-10

Discuss the following
In other large industry programmes (e.g. Smart Metering, Project Nexus etc), what has been industry’s experience in terms of governance:

1. What hasn’t worked well in the past, and what has unnecessarily lead to conflict?
2. What has worked well, and
3. What has assisted in helping industry to effectively engage in the progress of these programmes?
Coffee Break
Change Management

Key points:
1. Purpose of this section is to summarise how we plan to manage and keep stakeholders informed of change within the programme.
2. With the completion of the design phase of the programme we expect industry to have queries and questions. We will also outline our proposed approach to addressing industry queries and ensuring that there is appropriate visibility of both the queries and change requests raised and the outcomes.
Contents

• Introduction

• Query management Principles & Process

• Change Management Principles & Process

• Change Management - Design example

• Next steps & Questions
• With the completion of the DLS phase of the programme and the publication of Design Baseline 4, the programme will have a complete design against which the CSS can be procured and the REC developed.

• It is likely that stakeholders will have queries or questions relating to the published design and design products.

• Queries raised, together with the forthcoming regulatory design consultation and CSS procurement may result in changes to baselined products being required.

• These slides aim to provide a summary of the processes being implemented to manage both queries and changes to keep stakeholders informed of these developments.
Queries - Definition and Transparency

A query is defined as any of the following

• A request for clarity on an aspect of documentation produced by the programme.
• A comment on any aspect of documentation produced by the programme.
• A question about programme management or governance.
• A cross workstream issue arising from a Design Team or governance group which, if it was held solely on a workstream-specific issues log would inhibit transparency.
• A risk or an issue that the Query Raiser thinks should be considered by the programme.

Transparency

• Material queries will be placed on an external facing Query Management Log on Ofgem’s website
• The Query Management Log will be reviewed weekly and we propose to publish an updated version of the log with the response when queries are resolved to provide transparency to the Query Raiser and other stakeholders.
• Parties will then be able to view the actions taken, comments on progress or status changes to a query.
Queries - Process

Raise
- Queries should be submitted using a form that will be made available on the Ofgem website. Completed forms should be emailed to the programme PMO (SwitchingPMO@ofgem.gov.uk).
- Information such as contact details, the product or area the query relates to, priority should be provided in addition to the detail.

Assess
- Once received, queries will be placed on an external facing Query Management Log on the Ofgem website.
- Queries and query resolution progress will be reviewed weekly and considered.

Respond
- The Query Management Log will be updated regularly detailing progress.
- The response will be sent to the raiser and the log updated with the outcome.
- Aim to respond and close out queries within 10 WD of receipt.

Change
- Where appropriate, a query could result in the need for a change to be made on a baselined product.
- If this is the case, this will be recorded on the log and the programme team will raise a Change Request (with the assistance of the query raiser)
**Raise**
- A Change Request (CR) can be raised by any party with an interest in the Programme.
- A template form will be made available on the Ofgem website for stakeholders to complete and send to the Programme PMO to raise a CR.
- CRs received will be recorded on an external facing Change Request Log on the website. This will be updated to show new CRs as raised as well as progress and outcomes.

**Assess**
- The Change Request will be assessed by the governance group / role that approved the product impacted.
- Industry can input into the assessment process via governance groups e.g. Design Forum.
- The outcome of the CR assessment will be published via the Change Request Log.

**Do**
- Once approved, the programme team will implement the change, update the design etc.
- The updated product will go through the same approval process as the original version, e.g. Design Authority or Programme Board.
- Once completed, the up-issued product will be published on the Ofgem website.
Summary Query Management Process - Design Products (Enactment Phase)

**Raise**
- **Stakeholders**
  - Need for design change identified
  - CR form completed & submitted to Programme PMO

**Assess**
- **Design Forum (DF)**
  - Stakeholder input via DF
  - Design Forum input to IA
- **Programme PMO**
  - CR Logged, Triaged & External CR Log updated
  - Develop & Submit Change Impact Assessment (IA)*
  - Design Authority input to IA
- **Programme Team**
  - *It is assumed that the change proposer also supports the development of the Change IA
  - Approval Decision
    - Approve
    - Reject
    - No Change

**Do**
- **Design Authority (DA)**
  - DA Review/Approval
- **Programme Website**
  - Updated External Change Log
  - Updated External Change Log
  - Updated External Change Log
  - Updated Product published
• Once the appropriate governance group has made a decision on a CR (e.g. Design Authority), the external log will be updated.

• The implementation of the change, e.g. modification of a design product will take place with engagement via governance groups (e.g. Design Forum) as part of the review process (as per the original product).

• The product will go through the same approval process as its original development e.g. Design Authority, Programme Board etc.

• Once approved, the new product version will be incorporated into the baseline and published on the Ofgem website.

• Previous product versions including redline versions showing the changes made against the previous baseline will be available upon request from the Programme PMO.
Example of displayed products & versioning

<table>
<thead>
<tr>
<th>Product name and PBS reference</th>
<th>Version number</th>
<th>Date of issue and comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>D-4.3.1 Design and Build Plan</td>
<td>V1</td>
<td>This product was issued in February 2018</td>
</tr>
<tr>
<td>D-4.3.2 Integration Plan</td>
<td>V1</td>
<td>This product was issued in February 2018</td>
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<tr>
<td>D-4.3.3 E2E Testing Plan</td>
<td>V1</td>
<td>This product was issued in February 2018</td>
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<tr>
<td>D-4.3.4 Transition Plan:</td>
<td>V2</td>
<td>This product was updated in May 2018 as per CR-E01 Implementation Approach Version 2 [linked to Change Management page]</td>
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<tr>
<td>D-4.3.4 Transition Plan:</td>
<td>V1</td>
<td>This product was issued in February 2018 In-Flight Switches Approach</td>
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<td>D-4.3.5 Post Implementation Plan</td>
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<td>This product was issued in February 2018</td>
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<tr>
<td>D-4.3.6 E2E Data Migration Plan</td>
<td>V1</td>
<td>This product was issued in February 2018</td>
</tr>
<tr>
<td>D-6.1 Data Improvement - Address Database Remedy 1</td>
<td>V1</td>
<td>This product was issued in February 2018</td>
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To view the programme change process and information on change requests impacting baselined products, please visit the Switching Programme Change Request page.

To access red-lined versions of the above products, please contact SwitchingPMO@ofgem.gov.uk
• We will be aiming to publish updates to the Ofgem website in early June.

• This will include further information on the query management and change processes including the relevant form templates and logs.

• In the meantime, please send any queries to SwitchingPMO@ofgem.gov.uk
Questions

• Questions?

• Do stakeholders have particular views about the level identification of query / change raisers in our external facing logs?

  e.g. - change or query raised by an “energy supplier” or a named organisation?
Coordination with other Programmes
Smart Metering

• Faster, More Reliable Switching is meter type agnostic – clearly has to work for smart meters

• A number of inter-dependencies, for example:
  o Interfaces between the CSS and Smart Infrastructure
  o Timings of roll-out and go-live
  o Security

We have regular meetings between Programme Director and Ofgem Smart Metering Leads, regular meetings with BEIS SMIP colleagues, interactions with smart metering leads in DCC to manage these inter-dependencies.

Are there any interdependencies that are of particular interest to you? Anything you think needs to be further addressed?
Half-Hourly Settlement

- There are links regarding:
  - The systems landscape, target operating models and flows of data
  - Considerations on data privacy
  - Future proofing of systems and processes

We are part of the HHS Project and TOM Boards. Teams are working closely together on programme planning and to ensure coherence. We share programme methodologies, eg. five business case model.

What links between HHS and Switching have yet to be made?
Future Supply Market Arrangements

• We are clear that the Switching Programme reforms are for the long term and need to be adaptable to future market arrangements

• We are staying closely involved in the thinking on future supply market arrangements

• We are testing the adaptability of the future switching systems against scenarios

• Adaptability will also play a role in the procurement evaluation

What is important to you with regard to making switching work in the changing world of supply markets?
The Market Intelligence Service was originally a feature of one of the reform packages proposed by the Switching Programme.

It was proposed that this would provide better access to a wider range of data.

Building on the implementation of a CMA remedy Gemserv and Xoserve announced that they would provide a Market Intelligence Service, building on an initial API for Price Comparison Websites.

We are on the working group and steering group for the MIS.

What is important to you with regard to access to data?
Next steps and close of meeting