

Headline report

Meeting name	Code Change and Development Group – MHHS SCR	Purpose of paper	Information
Meeting number	20	Classification	Public
Date and time	17 August 2021		

Synopsis **Summary of the twentieth CCDG meeting and actions arising**

1. Introduction, apologies and meeting objectives

- 1.1 The Chair introduced CCDG20 and confirmed those in attendance.
- 1.2 The Chair confirmed that the meeting objectives were to:
 - Provide an update on the MHHS Programme.
 - Discuss the industry responses to the transition consultation.
 - Discuss and agree an approach to the transition deliverable for Ofgem.
 - Provide an update on the Smart Data Service (SDS) Friday morning discussions.
 - Discuss progress on the legal drafting and associated timescales.
 - Provide an update on Issue 91.
- 1.3 The Chair also welcomed and introduced the new CCDG members:
 - Jo Bradbury
 - Imrah Shah
 - Paul Akrill
 - Lee Stone

2. Other updates

- 2.1 Elxon provided an update on the discussions with regards to SEC Modification 162. More specifically, it noted that the provisional meeting that was planned on 11 August 2021 did not go ahead as the group managed to progress ahead of schedule. Elxon added that there are some capacity concerns about the issue of multiple users coming to the metering space at the same time and it was decided that a 24-hour response time was to be set to receive data. A CCDG member was given an action by the SEC subgroup to trial the data retrieval service. Elxon discussed this with the CCDG Friday subgroup and a member suggested that this service should be available to a wider range of users.
- 2.2 The Ofgem representative provided updates on two main strands of work Ofgem is currently dealing with:

Access to data
- 2.3 The Ofgem representative noted that Ofgem is currently drafting the SLC 47 amendment (translating the MHHS data access framework policy decisions into the licence) following a discussion with the detailed design group around what data should be pulled for customers in the immediate aftermath following a switch/smart meter installation before any consents are collected. He added that Ofgem is not trying to make these rules complicated in the licence but it is trying to draft something that is easy to follow; Ofgem is currently asking for feedback around this work.

Headline report

- 2.4 It was also noted that Ofgem is planning to publish the statutory consultation by mid-September and that the new data access framework is expected to come into force by November 2021.
- 2.5 With regards to consumer communications and messaging, Ofgem continues to work up three deliverables following the consumer messaging research:
- Research report for publication;
 - Consumer guidance info page on Ofgem website; and
 - Messaging good practice guide for suppliers.

Implementation and Governance

- 2.6 The Ofgem representative informed the group about the [decision document on the implementation arrangements for MHHS](#). The respective consultation closed on 25 June 2021 and sought views on the obligations that should be placed on parties and what Ofgem's role will be in ensuring these obligations are sufficient. He also noted that Ofgem is will procure an Independent Performance Assurance (IPA) provider as proposed in the consultation.
- 2.7 The Ofgem representative gave an [update](#) on the Authority-led code modification proposals under the Electricity Settlement Reform SCR. He noted that Ofgem has issued an open letter to confirm that it will shortly begin submitting the first set of Authority-led code modification proposals under the terms of the SCR. The modifications are required to put in place the implementation and governance arrangements for the relevant panels and administrators of the necessary industry codes (five in total):
- Balancing and Settlement Code (BSC)
 - Distribution Connection and Use of System Agreement (DCUSA)
 - Connection and Use of System Code (CUSC)
 - Smart Energy Code (SEC)
 - Retail Energy Code (REC), once REC version 2.0 comes into effect
- 2.8 Ofgem also published their [decision](#) on the Statutory Consultation on proposed changes to Licence Condition 21 of the Smart Meter Communication Licence. These changes are made to ensure compliance by DCC with the proposed provisions to be placed in the BSC with regards to obligations on various parties (including DCC) to ensure they comply with and operate in accordance with the governance and management of MHHS implementation and other obligations in respect of programme assurance.

3. Update on the MHHS Programme

- 3.1 The Programme team provided an update with regards to discussions with Ofgem, team mobilisation and the target set of design artefacts.
- 3.2 A CCDG member asked whether the Programme team is planning to bring a plan to the next CCDG meeting with a timeline of what is expected from the CCDG. The same CCDG member noted the members' consensus that time is passing by and therefore a plan is necessary. The Programme team explained that creating a plan is their current priority along with what activities would need to be completed; the team agreed to bring a planning update for PMSI to the CCDG at the next meeting in September 2021.
- 3.3 Another CCDG member asked whether the Programme team has a timescale for responding to Ofgem with regards to their decision letter on the AWG consultation. The Programme team noted that it had already engaged with the decision but it will refine its position following discussion with Ofgem and then communicate that response to the CCDG. The team said that a decision could be made by the end of September. Another CCDG member asked whether a copy of the letter to Ofgem could be shared with the CCDG. The Programme team explained that it will send an updated position statement after some pending queries are closed.

4. Discussion on the transition consultation responses

Headline report

- 4.1 Elexon has carried out an analysis of the consultation responses and prepared a spreadsheet with key comments and observations. Those were shared with the CCDG members for further discussion during the meeting:

Question 1 – Do you agree with the CCDG's recommendation for early introduction of the new Registration Data Items and processes using existing interfaced to support migration?

- 4.2 A CCDG member noted that Ofgem should be clarifying whether the migration concerns domestic and non-domestic data and that this should be linked back to the Ofgem policy.
- 4.3 The same CCDG member also noted that the consultation responses indicate people are seeking more details on how the data is populated therefore it is necessary to explore the next level of detail of how exactly the processes will work.
- 4.4 Elexon explained that more detail would also be needed for the timing of the Event Driven Architecture (EDA). A CCDG member noted the uncertainty around EDA but there could be other tools to update data post migration. Elexon and the group agreed that issues around the population of data will not drive any changes to the transition design.
- 4.5 An industry comment noted that November 2022 is too early as it conflicts with the Faster Switching changes. A CCDG member also highlighted some other comments about Faster Switching data cleansing taking too much time especially when the right systems are not in place and prompted the group to start working on the registration area imminently. Elexon explained that, despite being compressed to November 2022, there is not going to be a knock-on impact on other services; it added that changing the data flow might lead to other residual impacts. The same CCDG member suggested that over the next few months there should be visibility of what these registration services will be and not have to wait until April 2022. Another CCDG member stressed that November 2022 is an ambitious date as discussions about Issue 93 are still pending; he added that this could be a challenging timescale for Suppliers and DNOs. Elexon and the group agreed that CCDG will work towards this timeline and make sure it provides the industry with the right tools to take on from November 2022 onwards.
- 4.6 A CCDG member suggested that a combination of both Meter Operation Agents (MOAs) and parties populating data in Supplier Meter Registration Service (SMRS) could be an option to consider under MHHS. Another CCDG member noted that data cleansing is not impacting other processes and asked what could be done to minimise the impact on SMRS. Elexon advised that it would be necessary to reconcile what is best for SMRS and for parties to start sending Meter Technical Details (MTDs).

Question 2 – Do you agree with the CCDG's recommendation for a period of data cleanse activity of registration data items running from February 2023 to October 2024?

- 4.7 Elexon noted that a lot of the discussion under Question 1 is relevant for answering this question.

Question 3 – Do you agree with the CCDG's recommendation to mandate the moving of CT Advanced Meters settling NHH to Half Hourly Settlement using the existing Change of Measurement Class (CoMC) process?

- 4.8 A CCDG member touched on the Distribution Use of System (DUoS) charges and more specifically he said that as of 2018 DNOs can and will levy an excess capacity charge which means that there will be extra charging on some consumers migrating to MHHS early. He suggested that to enable correct charging capacity levels could be provided separately. This would also enable penalty charges to be enforced. The same CCDG member also focused on Transmission Network Use of System (TNUoS) charges. He noted that Measurement Class (MC) E will become liable for the Triad charges until the Targeted Charging Review (TCR) changes are implemented only leaving the forward component remaining. He also added that the period to April 2023 gives time to solve the issue around TNUoS.
- 4.9 Elexon pointed out the ESO representative's comment about the double charging aspect around P272.

Headline report

- 4.10 A CCDG member asked whether this could be a viable reason to change the current recommendation as there will be an overlap between the trial phase and the start of official migration phase. A number of CCDG members discussed that any customer values that fall in to this period will be relatively small (below 100KW) therefore this should not be a sufficient reason to delay. It was also noted that residual charging allocation in April will be low band as domestic CT and WC will not be anywhere impactful as CT.
- 4.11 Another CCDG member suggested to carve out domestic meters to be able to identify them. A different member said that it could be complicated to carve them out before April 2023. Elexon advised that during the period between October 2022 and April 2023 preparatory work could be done in respect to notification parts of communications/CoMC activity. The former CCDG member added that there is quite a lot of CT metering without smart meters. He also added that this process links with the data cleanse exercise as the industry will have a better idea of what CT and WC are.
- 4.12 A CCDG member noted that to mitigate issues of non-communicative meters a strength signal test should be taken at every site visit as a means to review when communications become viable.
- 4.13 A number of CCDG members agreed that large domestic customers with CT advanced meters stand for a really small number and should not constitute a problem; such problems should be addressed now and not post migration. It was also noted that it would be up to the Suppliers to ensure that there is no shortage of domestic CT Suppliers at the point the first domestic CT MPAN migrates.
- 4.14 The Chair confirmed with the group that the recommendation will not change.

Question 4 – Do you agree with the CCDG’s recommendation to introduce the “one way gate” from the start of migration (milestone M11/M12) to prevent MPANs moving back to current arrangements once migrated?

- 4.15 There was an industry comment about non-domestic Suppliers experiencing large volume of Change of Supplier (CoS) at the start of October and introducing the one way gate at this time would affect the ability to onboard customers. Elexon noted that if all Suppliers are ready by then then this should not be an issue. A CCDG member added that the timing is appropriate in order to avoid the business to business sales round. The same CCDG member also added that some performance assurance measures could be introduced to make sure everything has been moved post migration (there could be some exceptional cases). Another CCDG member noted that set milestones should help Suppliers i.e. once CT meters go through those milestones they cannot go back to NHH (unless in the case of domestic opt-out), however, this does not apply to smart meters. Another CCDG member added that there should be some obligations to ensure Suppliers are ready so that consumers do not switch back and avoid penalties.
- 4.16 Elexon and the group agreed to keep the recommendation unchanged and agree what the milestones are.

Question 5 – Do you agree with the CCDG’s recommendations for the registration and migration of export MPANs?

- 4.17 A CCDG member commented that export MPANs should be registered as de-energised until they are linked to MSN for settlement purposes. He also noted that MPANs should be assigned but not registered into the legacy arrangements.
- 4.18 Another CCDG member noted that the costs need to be assessed. He also noted that it is difficult to tell if an export Supplier exists and makes registration and migration more complicated.
- 4.19 A CCDG member said that creating 870,000 MPANs and waiting for people to register feels uncomfortable. Elexon explained that people might not be willing to move because of the FiTs payment. Another CCDG member noted that the FiTs payment would be made but the concern is whether the FiTs scheme facilitates actual metered data. A CCDG member explained that the FiTs scheme does not facilitate actual metered data but it should use metered volumes where available. The Ofgem representative noted that the customers are happy to receive their payment from the deemed reading however this has always been an issue for settlement.

Headline report

- 4.20 Elxon explained that the recommendation will remain unchanged however there will be a lot more discussion on how export/import Suppliers should interact to reach to 30-day timescale.

Question 6 – Do you agree with the CCDG's recommendations for coordinating the migration to MHHS?

- 4.21 A CCDG member commented that there could be competitive pressure for agents working with multiple Suppliers and this depends on the degree of central coordination. Another CCDG member explained that the need for central coordination is the multi-dimensional structure and to ensure that individual parties are not overloaded.
- 4.22 An industry response to the consultation noted that the ESO should have visibility of NHH-to-HH plans, with DNO area granularity, as this affects TNUoS tariff setting. Elxon explained that the ESO would want to know how many MC E meters there are before setting the tariff for that year. A CCDG member noted that the rates, residual banding and charging will not be available to the Suppliers and that capacity data could be made available to them in 2023 therefore, the ESO would struggle with TNUoS tariff setting in any event.
- 4.23 Elxon and the group agreed to keep the recommendation unchanged.

Question 7 – Do you agree with the CCDG's recommendations for the runoff of current settlement arrangements?

- 4.24 Elxon advised that settlement data is not going to be more accurate in R2 hence a run should only be performed if there is a material difference. In the case of a significant demonstrable error all settlement data should be kept live for R3. Elxon also added that some conditions should be set in order to have confidence in R2 data however NHH items get corrected regardless.
- 4.25 A CCDG member asked what will happen with settlement should there be a reconciliation back to R3 in the Target Operating Model (TOM). Elxon explained that the TOM runs its own timetable and that there is an active delta between the Settlement Periods of R2 and R3.
- 4.26 The same CCDG member noted that a CUSC change would be necessary as Balancing Services Use of System (BSUoS) charges and TNUoS are reconciled at the RF Settlement Period.
- 4.27 Elxon and the group agreed not to change the recommendation and agreed to discuss issues relating to Performance Assurance at the next BSC PAB meeting.

Question 8 – We would like to know Supplier views on the UMSO preferred approach to using one of the existing NHH MPANs. We would like to understand UMSO views on the system implications of either option.

- 4.28 Elxon noted that some Suppliers favour the existing processes.
- 4.29 A CCDG member added that evidence from the consultation responses showed Suppliers' preference for using the existing defined process for using a new MPAN for change in the Measurement Class.
- 4.30 The DNO representative agreed to feedback responses to this question to the DNOs.

Question 9 – Do you agree with the CCDG's recommended approach for the Unmetered segment?

- 4.31 An industry response to this consultation question noted that, for any large inventories, they might not all be updated at the same time so the preference would be to use existing MPANs. A CCDG member explained that it should not be an issue whether using a new or an existing MPAN for large inventories. The same CCDG member also commented that TNUoS charging is always the NHH methodology for UMS. Elxon agreed to get back to the respondent (SSN) to understand the comment on large UMS inventories.
- 4.32 A CCDG member also commented on the commercial implications and customer contracts by saying that there will be a new set of charges and contracts depending on the approach.
- 4.33 Another industry response to this question noted that charging between HH and NHH during a TNUoS charging year required a CUSC modification to avoid overcharging. A CCDG member explained that this issue might remain post April 2023 as well.

Headline report

Question 10 – Are there any additional areas that should be considered as part of the next phase of Assurance activities?

- 4.34 Elexon noted that the consultation responses for this question have been passed to the BSC Performance Assurance Board (PAB) for further discussion between the BSC PAB and the CCDG subgroup. The Chair agreed to extend invitations to the BSC PAB meeting to new CCDG members.

Question 11 – Is there anything else that you think the CCDG should consider for transition?

- 4.35 A respondent to this consultation question asked how complex sites would be treated during the transition. Elexon said that it needed more clarification around this question and a CCDG member (James Murphy) offered to take this away and confirm with his colleague (i.e. the respondent).
- 4.36 With regards to the LTV process and whether this would be impacted by a new settlement timetable, Elexon explained that there will be acceptable instances where input could be zero. It also noted that the LTV process will become obsolete as it is about the setting of EACs. A CCDG member added that there will be mandates for advanced meters to remain readable.
- 4.37 A CCDG member noted the overall support the industry has indicated to the CCDG's recommendations within the consultation. The Chair has congratulated the members for their hard work in putting this consultation together.

5. Put-back and approach to the transition deliverable for Ofgem

- 5.1 The CCDG members expressed no disagreement with the proposed approach.

6. Update on the SDS subgroup discussions

- 6.1 Elexon encouraged members who are not currently attending the Friday morning subgroup sessions to read the Headlines that are published on the CCDG MS Teams area. Elexon will update the missing SDS subgroup Headlines based on content from the respective emails.

7. Discussion on the legal drafting and timescales

- 7.1 Elexon informed the CCDG members that the Programme team will be attending a workshop on Thursday 19 August 2021 to work towards the design artefacts. The Programme team agreed to return to the next CCDG meeting with the legal text drafting approach.
- 7.2 A CCDG member asked what the timeline is with regards to drafting the BSCPs. Elexon noted that having all of the other documents first will help the team draft the BSCPs. It added that, in terms of the formal process, design artefacts look very much like BSCPs however a distinction between these two has to be made. The same CCDG member commented that there is a risk the requirements could change if new artefacts will go on to the BSCPs.
- 7.3 The Chair noted that there is a risk that BSCPs might not be ready by the agreed window, however, the design artefacts are the basis of those BSCPs.

8. Update on Issue 91

- 8.1 Due to the meeting overrunning, Elexon has prompted the group to revisit the slide with regards to Issue 91 and direct any questions to the CCDG MS Teams chat.

9. Actions, summary and conclusions

- 9.1 The Chair summarised the actions and closed the meeting.
- 9.2 The next CCDG meeting (CCDG21) will be held on Tuesday, 21 September 2021.