

## Consultation Responses

### Issue 101: Consultation on the framework for the enduring governance, funding and operation of the Data Integration Platform

This Interim Issue Consultation has been issued on 14 June 2023 to seek industry feedback on the proposed framework and Business Requirements for the Data Integration Platform (DIP), with responses invited by 12 July 2023.

#### Consultation Respondents

| Respondent   | No. of Parties/Non-Parties Represented | Role(s) Represented           |
|--|--|-------------------------------|
| IMServ Europe Ltd  | 1/0                                    | HHDC, HHDA, NHHDC, NHHDA, MEM |
| Stark  | 1/0                                    | NHHDC, NHHDA, HHDC, HHDA, MOA |
| RECCo  | 1/0                                    | Code Body                     |
| British Gas  | 1/0                                    | Supplier                      |
| Npower Business solutions (EON I&C) E.ON Next Energy Limited (domestic & Micro business) and E.ON UK Energy Services Ltd (supplier agent). | 2/1                                    | Supplier, Supplier Agent      |
| Scottish Power Energy Networks   | 1                                      | Distributor                   |
| UK Power Networks  | 1                                      | Distributor                   |
| UW   | 1                                      |                               |
| SMS Plc  | 1                                      | MEM, DC, DA                   |
| SSE Energy Supply Limited  | 1                                      | Supplier                      |
| National Grid Electricity Distribution   | 1                                      | Distributor                   |
| OVO  | 1                                      | Supplier, Meter Operator      |

## Summary of Consultation Responses

| Respondent                             | Do you agree with the proposed framework for... |                            |                       |                              |                  |  |
|--|---|----------------------------|-----------------------|------------------------------|------------------|--|
|  | Governance & operations management              | On-boarding & off-boarding | Assurance & reporting | Change & document management | Funding & budget | Information security & data management |
| IMServ Europe Ltd                      | ✓   | ✗                          | ✗                     | ✗                            | ✓                | ✗                                      |
| Stark                                  | ✓   | ✓                          | ✓                     | ✓                            | ✓                | ✓                                      |
| RECCo                                  | ✓   | ✓                          | ✗                     | ✓                            | ✓                | ✓                                      |
| British Gas                            | ✓   | ✓                          | ✓                     | ✓                            | ✓                | ✓                                      |
| NBS & EON                              | ✗   | ✓                          | ✗                     | ✗                            | ✗                | ✓                                      |
| Scottish Power Energy Networks         | ✓   | ✓                          | ✓                     | ✓                            | ✓                | ✗                                      |
| UK Power Networks                      | ✓   | ✓                          | ✓                     | ✓                            | ✓                | ✓                                      |
| UW                                     | ✓   | ✓                          | ✓                     | ✓                            | ✓                | ✓                                      |
| SMS Plc                                | -   | -                          | -                     | -                            | -                | -                                      |
| SSE Energy Supply Limited              | ✓   | ✓                          | ✓                     | ✓                            | ✓                | ✓                                      |
| National Grid Electricity Distribution | ✗   | ✓                          | -                     | -                            | ✗                | ✗                                      |
| OVO                                    | ✓   | ✓                          | ✓                     | ✓                            | ✗                | ✓                                      |

## Question 1: Do you agree with the proposed framework for governance, operations management, and service management?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 9   | 2  | 1                  | 0     |

### Responses

| Respondent        | Response | Rationale   |
|-------------------|----------|---|
| IMServ Europe Ltd | Yes      | Agree with the proposed framework, however the description of the role of the DCAB in the Consultation document is misleading as it states DIP Change Advisory Board as opposed to DIP Change <b>AND</b> Advisory Board. This is compounded by then specifically highlighting the types of Change they would oversee and there being no mention of their other responsibilities. As such, respondents may not fully appreciate its full role, with the potential for some inaccurate comments.  |
| Stark             | Yes      | -   |
| RECCo             | Yes      | <p>RECCo supports the overall proposed governance framework, in particular we acknowledge the flexibility and portability of the DIP provisions to allow for future governance changes. We have identified the following points for consideration in development on the detailed proposal and legal drafting:</p> <ul style="list-style-type: none"> <li>• Assumptions – we believe an assumption should be included under the high level governance section to reflect the approach to managing access for non BSC Parties e.g. that Non Party DIP Users will be required to comply with any requirements through the signing of a legally binding access agreement.</li> <li>• Assumptions – under assumption A-G10 there is a reference to the transfer of responsibility from the programme to the DIP Manager. If this transfer in responsibility does not align with the introduction of the MHHS arrangements (M11 / M12 milestones), then there should be the assumption that the MHHS Programme will operate in accordance with the enduring governance arrangements e.g. the current programme governance will no longer be in effect.</li> <li>• Assumption A-Q3 requires an obligation to be included in the REC requiring parties to comply with DIP User requirements. We intend to meet this requirement by placing an obligation on Qualified Suppliers, DNOs and MEMs to be DIP Users. Any requirement on DIP Users to comply with SIP User requirements should then be captured in the DIP Subsidiary Documents.</li> <li>• Assumption A-M8 refers to the EMAR. From a code drafting perspective this should reference the Energy Market Data Specification which we believe is already a BSC defined term. Same comment applies to the business requirements.</li> <li>• Assumption A-M10 refers to the DIP environments. Are there any enduring requirements for DIP Users to support testing / stand up test environments? We would also expect</li> </ul> |

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|             |     | <p>a requirement for the DIP Provider to make a DIP Simulator available on an enduring basis to support user testing for onboarding, release management, incident management, etc.</p> <ul style="list-style-type: none"> <li>• We believe there should be an additional assumption under operational management linking to the E2E Non Functional Requirements baselined through the MHHS design with the assumption that these will be incorporated within the DIP documentation as DIP User Requirements e.g. the SLAs for responding to DIP messages and requirements associated with scheduling maintenance.</li> <li>• Assumption S1 covers access to the DIP service provider in relation to the resolution of issues. We have not seen any specific DIP User requirements to support incident resolution, particularly in BCDR scenarios and believe this is an area that requires further consideration.</li> <li>• • In relation to the DIP Service Provider incident resolution, we have not seen any specific SLAs within the design artefacts. Our expectation is that the DIP Service Provider will be available on a 24/7 basis to support resolution of major incidents impacting DIP processing, We would expect these SLAs to be clearly set out within the DIP Subsidiary documents.</li> </ul>  |
| British Gas | Yes | Overall, we support the proposed framework for governance, operations management and service management of the DIP.   |
| NBS & EON   | No  | <p>We do not agree that the Transmission License should reflect Elexon’s role in delivering the DIP enduring solution, this is on the basis that <a href="#">Ofgem’s industry consultation on governance, funding and operation of an Event Driven Architecture for Market-Wide Half-Hourly Settlement</a> was on the basis of either RECCo or BSCCo being awarded the DIP manager role.</p> <p>The outcome of that consultation was that Ofgem stated “BSCCo should govern the MHHS EDA-DIP through the BSC” in its published decision dated 21/04/23. For the avoidance of doubt - Ofgem did not consult industry on awarding the DIP manager role against each parent company as the choice was not between Elexon Ltd and Gemserv Ltd, The award to BSCCo is outlined in a variety of sections in the decision document and specifically outlined in response to question 9 to the aforementioned consultation under paragraph 4.23 as follows:</p> <p><i>“After careful consideration of stakeholder feedback, and a thorough evaluation against the assessment criteria, we have decided that BSCCo should govern the EDA via the BSC”</i></p> <p>Our cause for concern stems from <a href="#">The Governments and Ofgem’s consultation regarding Elexon ownership</a> which outlined that the requirements to have Transmission Licence Condition C3 (the obligation on NGENSO to have in place the BSC, establish BSCCo &amp; to ensure the BSC is efficiently implemented etc) would move to the new Future System Operator (FSO) licence as part of the wider energy codes review. They also set out the expectation that only a supplier licence condition change is</p> |

expected to set out Elexon's future shareholder provisions. As such Elexon's role as BSCCo is what does and must continue to reflect in the Transmission Licence, as it already exists and would not challenge what are 2 very clearly outlined authority decisions, all of which clearly denotes the MHHS EDA-DIP is to be governed by BSCCo.

It is our opinion, that any intention for Elexon Ltd to be recognised in the Transmission Licence is driving unnecessary changes to the Transmission Licence with limited and temporary reasoning to facilitate initial governance structure that can and should be worked around within the governance structure proposals, as we are of the opinion that if Elexon is inserted into the Transmission Licence references would latterly be removed through the FSO policy directions as indicated by the Authority under an entirely separate policy initiative to that of MHHS.

As such, we both do not support or believe there is a need for Elexon to be recognised in the Transmission Licence as the DIP governance structure is to clearly be directed to be based on the BSC framework & BSCCo, and developed in such a way that enables future separation from the BSC for which Elexon should be able to facilitate through BSCCo via BSC governance arrangements without the need to be recognised in the Transmission Licence.

We also disagree with the position outlined regarding the role of current BSC

Panel, its role is to govern the BSC and ensure that all Parties comply with the code rules for which the DIP governance is to be supplementary to, so the reason given that the "Panel will have no role in the management of the DIP, as it is not a BSC Settlement System" seems to be unjustified and a direct conflict with how the DIP governance will be enacted, as the BSC panel vires extends to governance of all BSC rules, and not just systems and processes within it.

Furthermore, BSCCo's own representation that influenced the outcome of Ofgem's decision to award BSCCo the Governance, funding and operation of the DIP for MHHS continually pointed towards the strength, recognition and 20-year track record of fair and open ways of workings being totally embedded in the BSC Applicable Objectives, as such the composition of the BSC Panel insinuated in its representations as playing a key role in the DIP's arrangements and will have likely influenced consultation responses made to inform stakeholder input that led to Ofgem's decision to award BSCCo the DIP manager role. As such it is a significant reversal of previous positions made by BSCCo to suggest the BSC panel should play no role in the DIP governance, and the rationale & representations made within

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|  |     | <p>this consultation as to why the BSC panel will have no role in the management of the DIP does not stand up for these reasons.</p> <p>Consequently, we do not currently support the notion that the BSC Panels involvement in the DIPs governance arrangements should not exist on this basis and we cannot change our position unless the rationale behind the thinking to exclude the BSC panel is strengthened and clear, with explanations provided directly from BSCCo as to why they have changed their position between now and when they were making representations to industry to gain the support from industry to inform Ofgem’s decision making to award BSCCo the DIP manager role.</p> <p>Given the reasons provided, we disagree with many elements of the proposed structure that feed into Figures 2 &amp; 3 Diagrams showing the proposed governance structure and the role of DCAB, as that only indicates direct reporting into Ofgem as opposed to a direct BSCCo service provision of some kind. It is our opinion that BSCCo’s governance structure should as a minimum play an oversight role. It is our expectation that BSCCo are to play a direct role in the governance, operations, and service management of the DIP in accordance with Ofgem’s decision to accompany the development &amp; implementation of P439, and we do not see any evidence of that in the current proposals.</p> |
| Scottish Power Energy Networks         | Yes | SPEN are supportive of the proposed framework for Governance  |
| UK Power Networks                      | Yes | The proposed framework should meet the objective of effective running of the DIP.   |
| UW                                     | Yes | Yes, we agree with the proposed framework for governance, operations management and service management.   |
| SMS Plc                                | N/A | -   |
| SSE Energy Supply Limited              | Yes | The framework provides the necessary structure for the governance and management of the DIP.  |
| National Grid Electricity Distribution | No  | We agree with the proposed framework for governance. We have made comments under “Business Requirement” in respect of Operations Management and Service Management  |
| OVO                                    | Yes | OVO is broadly supportive of the proposed framework. We await the future consultations to fully evaluate and understand the legal text enabling the enduring framework for the DIP service.   |

## Question 2: Do you agree with the proposed DIP Change Advisory Board (DCAB) membership?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 5   | 7  | 0                  | 0     |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent        | Response | Rationale   |
|-------------------|----------|---|
| IMServ Europe Ltd | No       | The DCAB should be representative of its user base. As such, the independent industry members are not representative. The spare seats at the table should be allocated to other user-types, such as Metering Services. Thought should also be given to the balance of membership, particularly in the service provider area, and should include those Data Service and Metering Service providers who are independent, and not those who are part of Supplier organisations who are separately represented.   |
| Stark             | No       | Representation selection broadly seems fair; however we would like to query why Metering Services are not included.   |
| RECCo             | No       | RECCo broadly supports the proposed DCAB model. However, we have the following comments to make: <ul style="list-style-type: none"> <li>We note that Metering Services have not been represented on the DCAB. We believe Metering Services should have the same representation as Data Services as they will be required to use the DIP to deliver their code services. If there is a concern regarding the overall number of representatives then this could be achieved by amending the proposal to include one Data Service and one Metering Service.</li> <li>We do not believe that requirements relating to 2 year terms should apply to the Consumer, BSC or REC representative as representation will be determined by the relevant organisation.</li> <li>We question the approach to voting in elections for representatives based on one vote per MPO. We believe votes should be allocated at a corporate group level rather than the specific legal entities set up in companies house to avoid bias based on the approach to registering organisations. This would reflect the existing approach within the BSC.</li> </ul> |
| British Gas       | No       | The representation of Suppliers on the DCAB looks very light bearing in mind Suppliers are funding the DIP and will be the largest users of the DIP.<br><br>We would prefer a model similar to the Smart Energy Code (SEC) Change board where suppliers are well represented. We also noted that there does not appear to be any representation from Metering Services organisations.   |

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|           |    | <p>SEC Change Board membership</p> <ul style="list-style-type: none"> <li>• 1 member from each Large Supplier voting group with one vote each</li> <li>• 3 Small Suppliers</li> <li>• 3 Network Parties</li> <li>• 3 Other SEC Parties</li> <li>• 1 Consumer Representative</li> <li>• DCC and Ofgem</li> <li>• Chaired by SECAS</li> </ul>   |
| NBS & EON | No | <p>We believe that currently memberships for SVA MOAS/MEMS is missing, as they are going to be DIP users in their own right and therefore this membership should extend to that market role. In addition, we also think that DIP constituent views are likely to be extremely different based on their chosen market segment roles, for example a Smart Data Service is likely to face different data challenges to an Advanced Data Service, so we would like to see future considerations that lend itself to the actual new market roles that will use the DIP.</p> <p>We note that there are a number of DCUSA owned DIP interfaces in the current interface spec (EG REP-002) and therefore a DCUSA representative should also be captured as a voting member for the same reasons as the BSC and REC representatives are.</p> <p>We do not understand why NGENSO is listed as non-voting DCAB member, as they will not be a user of the DIP and they will continue to take the operational data feeds they require from central system provisioned data in a similar fashion as they do today. As such we take a view that NGENSO should not be a DCAB member in any capacity, for the same reasons that no other industry player is a party to the System Operator Transmission Code (STC) other than NGENSO and Transmission Operators despite outcomes from STC modification decisions holding potential to create indirect impacts on other industry participants. As such we are firmly of the opinion that NGENSO should not have any representation on the DCAB, as it is clearly enabling NGENSO to influence matters that are of no direct interest to NGENSO.</p> <p>DCAB membership as set out appears to be very rigid and would not cater for new users to become members and represent their expertise for their market roles, the DIP is very much expected to expand and facilitate future innovation in products and services that go beyond the “core functions” under development via the MHHSP. As such we would expect the governance arrangements to generally facilitate innovation and that should also specifically extend to DCAB membership so that its membership of “constituents” reflect the actual user groups of both the current core DIP user provisions and those of the future. Whilst we anticipate this is likely to become more visible and apparent in the lower-level set of subsidiary documents TBC lack of any assumptions or commentary in this consultation document for future DIP users suggests this has not been considered, so we urge the working group to consider and develop appropriate provisions to cater for all future DIP user types within its governance framework.</p> |

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| Scottish Power Energy Networks         | Yes | -   |
| UK Power Networks                      | Yes | The make-up of the DCAB provides a reasonable representation of core industry roles and respective weighting of views.  |
| UW                                     | Yes | Yes, we agree with the proposed DIP Change Advisory Board membership  |
| SMS Plc                                | No  | As users of the DIP, MEMs should also be represented as other parties are.  |
| SSE Energy Supply Limited              | Yes | The membership provides the necessary representation across the industry.   |
| National Grid Electricity Distribution | No  | <p>We have made comments under “Business Requirement” that the DCAB Membership does not include an iDNO representative(s).</p> <p>In addition, currently there are concerns on the voting mechanisms in MHHS DAG where there is a mis-alignment between the parties representation which can skew voting. We would therefore seek clarity on how decisions will be reached within the DCAB.</p> |
| OVO                                    | Yes | The proposed DIP Change Advisory Board seems reflective of the user communities for this service.   |

### Question 3: Do you agree that the DCAB members should act as an expert in their role, rather than be required to consult their constituents?

#### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 6   | 6  | 0                  | 0     |

#### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent        | Response | Rationale  |
|-------------------|----------|--|
| IMServ Europe Ltd | No       | IMServ thinks DCAB members should follow a consultative, constituency-based model. The risk without that is that commercial interests overtake good governance, and the DCAB becomes its own echo chamber.   |
| Stark             | No       | Our preference would be for constituent consultation. This could be subject to specific time limits; however we feel that any views expressed by members should be representative of their constituents. Where there is no consensus, the member should be required to present all views within their constituency.  |
| RECCo             | Yes      | We support the proposal that DCAB members should act as experts in their role, rather than representatives for their constituents. This aligns to the current REC and BSC models, where decision making bodies comprise of individuals with the relevant expertise to assess the impact of change and determine the appropriate solution.  |
| British Gas       | No       | DCAB members should consult their constituents and provide constituents views when discussing and voting on change. This model aligns with the SEC Change Board and ensures change is only approved where a majority of the users of the DIP are in agreement.   |
| NBS & EON         | No       | <p>Whilst we are not in agreement with the proposal we are equally not closed to this position, however it remains very unclear what routes will be open to a party who disagrees with DCAB decision and wishes to raise an appeal against such a decision, with the only exception being a route of appeal if the DIP manager refuses to raise a change request, which we also note requires further development.</p> <p>We expect that industry consultations (where required) and representations made will be considered within the DCAB decision making process and the issue 101 working will consider both this, and an appropriate governance route that defines an appeals mechanism for any decisions made in the next phase of development, and that may or may not consider the BSC panels role in such situations, as opposed to directly referring to Ofgem in such cases.</p> |

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| Scottish Power Energy Networks         | Yes | <p>We believe that there is merit in DCAB members acting as an expert in their role and for also them being required to consult with their constituents.</p> <p>Our preference would be for acting as an expert in their role, this is based on the premise of members acting in the best interests of their constituent group, and also given their role in the hearing of appeals we believe that this is the best interests of the industry.</p> |
| UK Power Networks                      | Yes | <p>DCAB members should be in a position to fulfil that responsibility, but for significant items that are open for vote, suitable notice should be provided such that constituents can be consulted with if deemed necessary.</p>   |
| UW                                     | Yes | <p>Yes, we agree that they should act as experts in their role and not be required to consult with their constituents in order for speed up any changes.</p>  |
| SMS Plc                                | No  | <p>We prefer a consultative approach; this allows constituents to represent the interests of themselves and their customers.</p>  |
| SSE Energy Supply Limited              | Yes | <p>DCAB members should have the necessary knowledge to represent their constituents and may not have the time or opportunity to consult their constituents before making decisions.</p>   |
| National Grid Electricity Distribution | No  | <p>If the DCAB Membership is limited to constituent voting, the representative may not be an expert in all matters pertaining to their role, therefore, we would expect them to be able to consult their constituents where appropriate.</p>  |
| OVO                                    | Yes | <p>We are supportive of this approach as we believe this aligns with other group's terms of reference, for example the DTS User Group.</p>  |

## Question 4: Do you agree with the proposed framework for on-boarding and off-boarding?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 10  | 1  | 1                  | 0     |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent        | Response | Rationale  |
|-------------------|----------|--|
| IMServ Europe Ltd | No       | IMServ's view is that the on-boarding arrangements are overly complex and over-step the mark by going beyond just a DIP connection and its use, into the realms of industry testing and market participant's data management policies and activities. For example, requirements BRQ12 to BRQ18 are overlapping with industry testing processes, which are not part of onboarding. BRQ19 to BRQ24 are part of general qualification, again not part of DIP onboarding. Onboarding should be limited to getting a DIP connection and the administrative/technical processes around that.   |
| Stark             | Yes      | -  |
| RECCo             | Yes      | <p>RECCo supports the overall proposed governance framework. We have identified the following points for consideration in development on the detailed proposal and legal drafting:</p> <ul style="list-style-type: none"> <li>We still have concerns regarding the points of entry as we are not clear the circumstances where a DIP User would apply directly to the DIP portal rather than being referred through from either the BSC or REC, unless it is becoming a DIP User in a role other than a party to the codes. However, even DCPs would need to apply as part of a code party qualification or amendment to an existing code party qualification. We believe further clarity is required before this process (and specifically BRQ5) is reflected into code drafting.</li> <li>The consultation references the DIP being open to all. As defined, the DIP allows messages to be sent between market participants with DIP Ids and security certificates. We note that additional detail was shared via Issue 101 meeting 6 on the approach to managing data access requests. We are therefore assuming this detailed process will be reflected in the legal drafting so that it is clear how the DIP data will be accessed by wider organisations, particularly as the DIP is not storing data for reporting etc.</li> <li>Against DIP Manager initial checks, there is no reference to Companies House. We believe these checks are being carried out and this should be explicitly stated that the DIP Manager will check the information from the organisation tallies with Companies House data.</li> </ul> |

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|                                |     | <ul style="list-style-type: none"> <li>As referenced in the consultation document, there may be additional code qualification testing requirements to be undertaken in parallel with the DIP onboarding activities to ensure business validation requirements are being met, rather than just the sending and receiving of DIP interfaces. It is important that the approach to this testing is agreed with code bodies as soon as possible, ahead of the Issue 101 code drafting being developed to ensure the code body requirements are understood by all stakeholders and subject to the expected industry consultation. Other considerations such as the timing of the provision of ISD relating to Market Participant Ids and the management of test data needs to be considered.</li> <li>The consultation references the Code of Connection that is being developed as an MHHS Programme Design Artefact. Clarity is required on the approach to translating the MHHS owned Code of Connection into the enduring baselined code drafting as part of Issue 101 i.e. will this be updated/issued as part of the DIP subsidiary document consultation. In particular, we would welcome clarity on the governance to determine whether changes to the MHHS Programme Code of Connection can be applied into the BSC drafting as a result of the Issue 101 industry consultation as enduring DIP governance is outside the scope of the MHHS Programme. For wider MHHS drafting under CCAG governance, it is clear that code drafters are reflecting the design and any issues should be raised into the design team. This caveat has not been included in the Issue 101 consultation and therefore it is not clear whether the Issue 101 modification has the vires to amend some or all of the DIP Code of Connection content. Specifically, we would not expect Issue 101 to amend the core security requirements, but we believe information on assurance and onboarding that has been included in the Code of Connection would be better placed under Issue 101 governance and subject to Issue 101 consultation.</li> <li>Assumption A-Q23 principal 4 references site visits. We do not see any rationale for the DIP Manager to carry out site visits of DIP Users on the basis that there is not requirement to install physical equipment to interface with the DIP and therefore no dependency on the physical environment of the user. Any assurance activities should be carried out remotely and should be limited to assessment of compliance with clearly documented DIP User</li> </ul> |
| British Gas                    | Yes | We agree with the proposed framework for on-boarding and off-boarding.  |
| NBS & EON                      | Yes | We have no specific concerns with the framework proposed at this point.   |
| Scottish Power Energy Networks | Yes | SPEN are supportive of this framework, it aligns with other Industry processes.<br>We have concerns around SOLR process, where it states in the CP that this is being discussed with Code bodies, this does not give any additional detail on the areas under discussion this leaves open the actual process for this area.   |
| UK Power Networks              | Yes | The on-boarding framework appears to provide reasonable assurance of the capabilities of a prospective MPO. The scenarios for invoking the off-boarding process in an unplanned manner may need further clarity however.  |
| UW                             | Yes | Yes, we agree with the proposed framework for on-boarding and off-boarding.   |

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|--|-----|--|
| SMS Plc                                | N/A | -  |
| SSE Energy Supply Limited              | Yes | The business requirements appear to be thorough enough for these processes.  |
| National Grid Electricity Distribution | Yes | We agree with the proposed framework.  |
| OVO                                    | Yes | <p>OVO supports the proposed high level framework set out. We await the future consultations to fully evaluate and understand the legal text enabling the enduring framework for the DIP service. For example:</p> <ul style="list-style-type: none"> <li>• for the point should "Industry Codes informed" be "Industry Codes consulted" i.e. what if their performance under DTSA is sub-par?</li> <li>• Can a DIP User be a collection of affiliated users e.g. a supplier and MEM?</li> </ul> |

## Question 5: Do you agree with the proposed framework for assurance and reporting?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 7   | 3  | 2                  | 0     |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent        | Response | Rationale  |
|-------------------|----------|--|
| IMServ Europe Ltd | No       | <p>The assurance arrangements proposed are overly complex and burdensome. The boundaries with other industry audit regimes involving DIP Users needs to be carefully considered. There appears to be replication/overlap with the existing BSC and REC audits, specifically in these areas: whether Information Security requirements are being met; whether the DPIA (see Data Management) is still in place and suitable; that the DIP User's cyber incident response plan is up to date and fit for purpose.</p> <p>Furthermore, there is no mention of audits of the DIP Service Provider, which we recommend, and no rationale for the audit of the DIP Manager being set at two yearly when others are proposed as annual.</p>   |
| Stark             | Yes      | -  |
| RECCo             | No       | <p>Whilst we broadly agree with the assurance framework at the principles level, we have concerns regarding the lack of detail on the scope of assurance activities and the controls that are required to ensure that any assurance is proportionate and cost effective. Both the BSC and REC have comprehensive performance assurance frameworks in place, overseen by a performance assurance board. The proposed approach suggests the DIP Manager will determine the level of assurance to be applied using a risk based approach but does not provide any detailed criteria or reference a governance body to validate the views and ensure the DIP requirements dovetail with wider code and data protection requirements. We have included some specific points below.</p> <p>The assurance framework covers assurance of the DIP Manager, DIP Service Provider and DIP Users. We agree that the DIP Service Provider should have clearly defined SLAs documented within the DIP Subsidiary Documents with assurance provided to ensure compliance. We note the reference to SLAs agreed in the contract between Elexon and the DIP Service Provider. These should also cover the End to End non-functional requirements included in the design baseline.</p> |

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|-------------|-----|---|
|             |     | <p>Whilst the plan is to audit the DIP Service Provider every two years, we believe the initial audit should be carried out after one year, with the two yearly audit after that. In addition to the audit every two years there should be monthly reporting by the DIP Service Provider against SLAs to ensure operational delivery is maintained in accordance with code requirements and contractual requirements.</p> <p>The assurance applied to DIP Users should be documented separately, focused on clear and transparent DIP User requirements. We have not yet seen a clear statement of DIP User requirements and would expect this to be shared as part of the next Issue 101 consultation, along with a high-level framework for how the requirements will be assured. Specifically we are seeking confirmation that the assurance and audit approach is proportionate and cost effective, without duplicating existing code assurance activities and wider data protection regulatory requirements. In the absence of this being set out within the code drafting, there needs to be clear rights of appeal for parties to DCAB in relation to the scope of assurance activities.</p>   |
| British Gas | Yes | <p>We are generally happy with the proposed framework for assurance and reporting</p> <p>We would like to see more specific proposals on how the DIP Manager will be subject to assurance checks.</p> <p>We would also suggest that the DIP is subject to an annual cost efficiency audit to provide DIP Users with confidence that they are receiving value for money and that the DIP is being provided in the most efficient manner possible.</p>  |
| NBS & EON   | No  | <p>We are unclear on the requirements to audit, why and to what extent the outlined audit requirements have been set out at this point.</p> <p>Whilst we are supportive of the requirement that the DIP manager is to be audited, it is suggested that the audit may be of a self-assessment style or performed by a 3rd party and will be cyclic on a 2-year basis. Whereas DIP users will be subject to annual audit cycle akin to that set out under the BSC via the Risk Operating Plan (ROAP). Given that the DIP manager will have “Code Manager” type responsibilities we feel that it is not justified to invoke an audit regime cycle on DIP users that is tighter than the DIP itself is subject to, so we suggest that the DIP manager’s audit cycle is aligned to that of DIPs users, as only that assures that the requirements and findings following audits are conducted in a fair and consistent manner.</p> <p>We do not understand why the DIP service provisions should be subject to an audit regime akin to that required in the BSC and set out in ROAP as the DIP is essentially a data transfer service provision, so quite why a full code annual audit cycle is required is completely unclear and not explained in any detail to agree to.</p> <p>Furthermore, we do not support any notion that the DIP manager can choose between how it audits itself or have a separate standalone party – this must be a firm decision either way. It is our opinion that those externally appointed to conduct audits by BSCCo &amp; RECCo can by extension also conduct an audit on the DIP manager and that can be facilitated by the expected authority raised DIP code modification by feeding into the existing BSC audit regime (which would align with the current Data Transfer Service Agreement (DTSA) provisions).</p> |

|  |     |   |
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|  |     | <p>It also questionable if the audit regime of the DIP manager and DIP users should be subject to auditing on a cyclic basis or from time to time, this is on the basis that the Data Transfer Service Agreement (DTSA) has provisioned audits on a “time to time” basis as opposed to a cycle, quite successfully over the course of its existence without causing additional burdens and strains on its users. As the DIP is initially provisioning data currently transferred over the DTN on a much larger scale, it does not make any sense to assume that an audit regime should be conducted more frequently than that provisioned in the DTSA, when considering the intention for it to replace the DTN infrastructure long term, whereas as the DTN is our current closest comparison it makes sense to adopt the DTSA services provisions and approach to audits on the basis that the DIP will provision the same core service of secure exchange of industry data between DIP users.</p> <p>We do not see any supporting rationale for exposing DIP users to a tighter, more frequent, rigorous audit regime than is necessary, particularly as such arrangements come at significant cost and effort for industry members. Given the funding proposals as currently written any such arrangement needs to consider the benefit of such an audit regime vs the cost that will ultimately form part of consumer bills, therefore we recommend the DTSA approach to auditing is adopted initially, unless adequate explanation that justify the approach as currently set out why the need for such a regime is required going forward.</p> |
| Scottish Power Energy Networks         | Yes | We are supportive of the proposed framework for assurance and reporting.  |
| UK Power Networks                      | Yes | The scope of the proposed audits and associated reporting appears to be robust.   |
| UW                                     | Yes | Yes, we agree with the proposed framework for assurance and reporting.  |
| SMS Plc                                | N/A | -   |
| SSE Energy Supply Limited              | Yes | The business requirements give the necessary levels of assurance and flexibility for reporting requirements.  |
| National Grid Electricity Distribution | -   | -   |
| OVO                                    | Yes | Generally we are supportive, however we believe that further information needs to be provided for DIP Service Provider assurance, to enable a full response. Given the system is an event driven architecture, there will need to be a host of NFRs and SLAs around process timings and turn around times. Whilst we recognise that this is a high level document, it is very light at present on the performance management. This will be problematic given the impacts that poor performance could have on supplier settlement costs and forecasting and also the subsequent customer impacts this could have.  |

## Question 6: Do you agree with the proposed framework for change management and document management?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 8   | 2  | 2                  | 0     |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent        | Response | Rationale   |
|-------------------|----------|---|
| IMServ Europe Ltd | No       | <p>The description of the scope of the change management process does not specifically reference any changes to the DIP that may be required to support changes to the MHHS processes post go-live, which are initiated and delivered via BSC or REC Change Management. The decision-making process is therefore unclear and thus presents a concern that the DCAB/DIP Manager could reject a change which is supported under the various Code Change Management processes.</p> <p>There is however reference to DIP Message Format Changes, initiated by the DIP Manager and the process for deciding an implementation date, but there is no reference to consideration of the impact on participants or the effort and timescales required by them: if this is the intent, we strongly disagree with this.</p> <p>Similarly, we disagree with the opinion that other Code Bodies could align their decision making and processes to that of the DIP.</p> |
| Stark             | Yes      | -   |
| RECCo             | Yes      | <p>We are broadly comfortable with the proposed framework. However, we would appreciate further clarity on how and when ownership of the initial set of DIP interfaces will be agreed i.e. whether certain DIP interfaces will be REC owned and governed through the REC change process.</p> <p>On an enduring basis, we expect some DIP interfaces will be REC owned. Therefore, we need clarity on the approach DIP Service Provider impact assessment of changes and management of testing. We would request clear obligations to be include in the DIP Subsidiary Documents requiring the DIP Service Provider to impact assess changes to DIP interfaces being progressed by code bodies, within clearly defined timescales and to support testing and delivery of changes in line with the standard REC change process. We welcome further discussion on this.</p>  |
| British Gas       | Yes      | <p>Whilst we are comfortable with the initial proposals for change and document management we believe more thought should be given to the proposed Code Governance reforms and</p>  |

|                      |           |  |
|----------------------|-----------|--|
|                      |           | <p>whether these proposals meet the objectives of the reforms being proposed.</p>  |
| <p>NBS &amp; EON</p> | <p>No</p> | <p>We do not agree with many aspects of the change management proposals set out, this is on the basis that the developments to date are akin to creating a totally new set of code change rules, principles and requirements, the DIP is a data exchange platform, so it is not required to be a code in its own right as per our response to Q2.</p> <p>We agree with the working principles that the change management clearly outlines a process of Raise, Assess, Consult, and Decide on outcomes, however we are concerned with the level of discretion that the DIP manager may hold, in so far as it could enable discretionary outcomes to the favour of the DIP manager or certain DIP market roles as per figure 7 illustrations. Whilst we anticipate this visual and the latter legal text in the documents combined may address this concern, we at this point are not clear what instances the DIP manager may veto, or what the appeals route would be if the DIP manager rejected beyond that of the DCAB.</p> <p>We do not understand how the position for the change management's appeals process has been reached, as the link into the decision-making piece from DCAB to the authority to approve/reject does not make any sense as it should really be formed through the BSC arrangements, for which DCAB could quite easily be delegated the BSC panels full DIP decisions making powers within the BSC, in turn enabling the Ofgem self-governance modification appeals process etc aligned to the current code provisions.</p> <p>It is also apparent that the proposals facilitate DCAB decisions to be subject to a DIP manager appeal which would also be intended for referral to Ofgem for a decision, however we are unclear under what vires the DIP manager has or will have to raise appeals to the authority following a DCAB decision. The current self-governance modification appeals process only allows code parties and third parties in the licence or code to appeal panel decisions, so if the DIP manager is to be specified as a third party within an industry code (the BSC) then we perceive this could be enabled, if not we do not see how the DIP manager will be able to raise decision appeals without making statutory changes to licence conditions.</p> <p>We suspect that appeals &amp; approval for change sections are what is referenced as "licence change" required in the change and document management table however as there is no other context as to what Elexon are discussing with Ofgem we are left guessing in this regard, which is extremely disappointing and lacking transparency.</p> <p>As such it is our belief that it is not Ofgem's intent for the DIP manager's role or the issue 101 working groups development to be pushing for licence changes, if they are required then ultimately Ofgem have a binding process that is set out in the Electricity Act that clearly requires them to consult with licensees and other parties of interest, so the inability for this consultation document to do so only leads us to be cautious and suspicious of intentions.</p> <p>Given the lack of any information as to what Licence changes are being discussed our current position is that it is both unwarranted and unnecessary to increase levels of powers to operate what is to be data exchange platform, designated</p> |

|  |     |   |
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|  |     | <p>under BSCCo governance arrangements by Ofgem with the intention that the BSC is modified to cater for the DIP provisions, if licence changes were required then we very much doubt that BSCCo would have been awarded the DIP manager role until such a time Ofgem had conducted the required licence change consultations and industry engagement exercises.</p> <p>As alluded to many times throughout our response to this consultation, the DIP should be facilitated in the BSC arrangements and there is no apparent reason to consider or lobby for licence changes. We would expect that the reasoning and rationale for promoting changes to licences beyond the vires of the BSC governance arrangements to be made clear to any party, so we are extremely disappointed to find ourselves attempting to second guess what licence changes are being considered, so fully expect future consultations and communications to set out in no uncertain terms what discussion are being had and why.</p> |
| Scottish Power Energy Networks         | Yes | SPEN are of the view that the change management process needs to be absolutely clear in terms of the process contained in the documentation, as there are cross code changes involved, each change raised in another code should provide the relevant details of the originating code and the impacted parties.   |
| UK Power Networks                      | Yes | The change management process does need to work better than demonstrated thus far through the MHHS programme, and attention needs to be paid to DIP message format changes in particular to ensure relevant industry parties and their software providers have adequate time to assess the potential impact and subsequently undertake DBT activities for approved changes.   |
| UW                                     | Yes | Yes, we agree with the proposed framework for change management and document management.  |
| SMS Plc                                | N/A | -   |
| SSE Energy Supply Limited              | Yes | The framework appears to be sufficiently robust for both of these areas.  |
| National Grid Electricity Distribution | -   | -   |
| OVO                                    | Yes | <p>We are generally supportive of the approach set out for change management and document management.</p> <p>Noting the following statement: "Anyone will be able to propose DIP changes. The DIP Manager will be able to determine whether proposed Changes are raised in accordance with published criteria and subject to an appeals process."</p> <p>Given our earlier responses to how costs will be funded, alongside the principle that suppliers will fund this service, we believe that full impact assessments should be undertaken to minimise the extent of costs that will be passed on to the customer.</p> <p>Where changes are raised by non-supplier parties, and are deemed not core to the operation of the service for all users, we view this should be funded by the party/parties that are raising the change, as if they were elective services.</p>  |



## Question 7: Do you agree with the proposed DIP Applicable Objectives?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 7   | 4  | 1                  | 0     |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent        | Response     | Rationale  |
|-------------------|--------------|--|
| IMServ Europe Ltd | No           | <p>A objective that singles out and attempts to protect the central balancing and settlement systems is inappropriate. ELEXON is just a DIP user along with any other party and should not have an objective specifically to protect itself. The objective should be adjusted to include any DIP user.</p> <p>A further DIP objective should be added to facilitate market competition and to not hamper or damage existing competition.</p>   |
| Stark             | No           | <p>In relation to the third objective, it should be emphasised, in any legal text, that providing data to facilitate innovation should not distort competition in any area, or for any category of DIP User, as per the Ofgem requirements on p29. The objective as worded currently is ambiguous on this point.</p>   |
| RECCo             | Yes          | <p>In addition to the objective documented, we request the DIP Manager considers an additional objective linked to the promotion of effective competition between market participants. For example CR023 is currently seeking addition DIP recipients be added to enable MDRs to receive data directly on the basis that this would facilitate competition for independent MDR services.</p>   |
| British Gas       | Yes (mostly) | <p>Whilst we are generally supportive of the proposed DIP Applicable Objectives we note that the first and fifth objectives are very settlement focussed. These objectives may be difficult to achieve in parallel with some of the other objectives particularly the third objective relating to innovation.</p>  |
| NBS & EON         | No           | <p>We do not agree that with the Applicable DIP Objective “Ensure the ongoing efficacy of central Balancing and Settlement systems”. Within this consultation document. This is contradictory to the position set out that “BSCCo will be a DIP User, as Central BSC Systems will use DIP data. BSCCo will also manage the DAH, will also be a DIP user due their central systems and party agent roles being DIP users also”.</p> <p>As such this applicable objective is itself discriminatory by setting an objective that favours central systems in the BSC governance framework over that in the REC (via the CSS). It also sets an objective that place’s BSC central systems in over and above every other DIP user, which also feeds into settlement processes through exchanges over the DIP, for example a DIP user may wish to change something to improve its own system efficiencies but does not have an applicable</p> |

|  |     |   |
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|  |     | DIP objective to do so, so must consider other applicable objectives in order to raise such a change yet BSC central systems would not have this issue under this objective. As such we are of the opinion that this objective should be removed as soon as possible. |
| Scottish Power Energy Networks         | Yes | -   |
| UK Power Networks                      | Yes | The stated objectives should ensure that implemented changes do not have detrimental impacts on the industry processes.   |
| UW                                     | Yes | Yes, we agree with the proposed DIP Applicable Objectives.  |
| SMS Plc                                | No  | An objective to facilitate market competition has been overlooked, we believe this should be reconsidered.  |
| SSE Energy Supply Limited              | Yes | The objectives appear to be complete.   |
| National Grid Electricity Distribution | -   | -   |
| OVO                                    | Yes | We would recommend consideration of ensuring costs are kept to a minimum as an objective, given the current principle that suppliers will fund all of the DIP costs.  |

## Question 8: Do you have any comments on the criteria that should be used to determine if a change is material?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 5   | 5  | 2                  | 0     |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent                     | Response | Rationale   |
|--------------------------------|----------|---|
| IMServ Europe Ltd              | No       | -   |
| Stark                          | Yes      | If the proposed change would require participants to develop their own systems/processes.   |
| RECCo                          | Yes      | We believe materiality considerations should take into account impacts on DIP Users, therefore any change with a material impact on the rights or obligations, or systems and processes of DIP Users should be treated as material and should include a full industry impact assessment before decision. It should be noted that what may appear to be a minor change to the DIP Manager could have knock on impacts to DIP Users, therefore DIP User views on impacts should be a key consideration.<br><br>In addition, anything that is potentially discriminatory in its effects between users or types of users should be treated as material. |
| British Gas                    | No       | We note Elexon will provide their definition of material when legal drafting is completed. We would be happy to review and feedback when the drafting is circulated. The criteria should be consistent with other codes.  |
| NBS & EON                      | Yes      | We are comfortable with the approach to change materiality, notwithstanding that the legal text drafting is still to be developed as one of the few points of clarity made available for consultation documents is that we will we gain a view what is and is not considered to be material change.   |
| Scottish Power Energy Networks | Yes      | In addition to the general materiality of a change, we are of the view that additional criteria should include impact on market sector. There is a chance that a change may impact a particular market participant (or role) more than any other, this should be considered as part of the change process.  |
| UK Power Networks              | No       | N/A   |
| UW                             | Yes      | We believe all parties should be consulted on the criteria that should be used to determine if a change is material once published. There should be a consideration for any system changes allowing sufficient time to build, test and implement.   |
| SMS Plc                        | N/A      | -   |

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| SSE Energy Supply Limited              | No | The change process appears to be robust and complete. |
| National Grid Electricity Distribution | -  | -   |
| OVO                                    | No | -   |

## Question 9: Do you agree that the relevant Code Body should make decisions on DIP Message Format changes?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 9   | 2  | 1                  | 0     |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent                     | Response | Rationale   |
|--------------------------------|----------|---|
| IMServ Europe Ltd              | No       | It is not clear which Code Body owns which message formats, and not clear how the DIP Manger/DCAB interacts with the relevant code bodies change management process. See answer to question 6.  |
| Stark                          | Yes      | -   |
| RECCo                          | Yes      | We are comfortable with the position that BSCCo will make decisions regarding BSC message formats.<br><br>We note that this question references code bodies, although the consultation document itself only refers to BSCCo. We would not expect a change to the REC decision making arrangements to be made via Issue 101 and the subsequent code modification and therefore would expect any changes to REC owned messages to proceed through the standard REC change process. This currently requires the Code Manager to make a recommendation for ratification by the relevant decision making body. |
| British Gas                    | Yes      | Yes, we agree that the relevant Code Body should make decisions on DIP format changes. We assume that these codes would follow their own change process for consulting and agreeing changes with industry. We note that cross code change has not been well managed historically. Clear procedures should be agreed to ensure cross code decision making is aligned.  |
| NBS & EON                      | Yes      | Whilst we are in agreement with this, we expect that DCUSA is added in as both a DCAB representative (as per Q2 response) and is able to make decisions on any DIP message format changes under it's ownership, in the same fashion as RECCo and BSCCo owned DIP messages   |
| Scottish Power Energy Networks | Yes      | We are of the view that there will be a requirement for code bodies to engage in any DIP message formats and changes, these relate to actual processes that industry parties are required to carry out and these must be considered over and above any DIP messages.  |
| UK Power Networks              | Yes      | As per answer 6, the relevant Code Body should ensure relevant industry parties and their software providers have adequate time to assess the potential impact and subsequently undertake DBT activities for approved changes.  |

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| UW                                     | Yes | Yes, we agree that the relevant Code Body should make decisions on the DIP Message Format changes.  |
| SMS Plc                                | N/A | -   |
| SSE Energy Supply Limited              | Yes | The relevant code bodies will have the necessary expertise and knowledge to make these decisions.   |
| National Grid Electricity Distribution | No  | Whilst we understand the desire to expedite changes, changes to DiP Message Format Changes could have a significant impact on industry parties and therefore should be communicated out to industry prior to any decision being made. |
| OVO                                    | Yes | OVO supports this approach.   |

## Question 10: Do you agree with the proposed framework for funding and budget?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 8   | 3  | 1                  | 0     |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent        | Response | Rationale   |
|-------------------|----------|---|
| IMServ Europe Ltd | Yes      | IMServ agrees. although there seems little incentive to make the DIP provider and DIP manager efficient and maintain good value for money. Monopoly provisions of such services in the Industry always seem to have problems with escalating costs – what will protect us all from this?  |
| Stark             | Yes      | -   |
| RECCo             | Yes      | We broadly agree with the proposed funding framework. However, we note the reference to core services on page 3 suggests that these are limited to activities related to settlement. We believe more clarity is needed regarding the scope of core services as parties may have DIP obligations that are not obviously linked to settlement (updating DPI etc.) We suggest this would be better defined as obligations on DIP parties held within industry codes.   |
| British Gas       | Yes      | Yes we agree with the proposed framework for funding and budget.  |
| NBS & EON         | No       | <p>We do not agree with the proposed framework for funding, as the proposals developed appear to have made the decision that suppliers will fund which does not align with Ofgem funding decision. The funding decision sets out a minded to position as follows:</p> <p><i>3.27. Ofgem is <b>minded to decide</b> that suppliers only should fund core EDA activities relating to providing accurate and timely support for the settlement system. The funding mechanism should be based on connection fee and usage. We have decided that value-added services relying on the provision of half hourly consumption data should be funded on a subscription basis via appropriate, fair, reasonable and non-discriminatory access charges.</i></p> <p><i>3.28. We expect BSCCo to develop and consult on a code modification proposal to establish the detail of the funding arrangements in a timely way. As part of this process, we</i></p> |

*expect BSCCo to consider whether it would be appropriate for Virtual Lead Parties and non-physical traders to fund core EDA activities. We also suggest that the views expressed by respondents to this consultation should be taken into account in developing those proposals. it is “minded too” decide that suppliers only should fund core EDA activities relating to providing accurate and timely support for the settlement system in paragraph 3.27,*

It is evident that the development for funding has overlooked this clear direction, most likely taking the most straight forward way forward rather than actually considering the expectations set out, by placing the core funding arrangements on suppliers only with absolutely no consideration to either the parties despite Ofgem decision regarding funding being a minded too position, not a final one.

There is also zero evidence presented that provides any comfort to us that considerations of other BSC party types (VLPs & NPTs) funding core services has been undertaken, despite such roles being direct competitors to suppliers in wholesale and balancing markets, and who will clearly benefit from MHHS through the enablement of HH settlement across the market. This forms the very basis for such market players to be able access supplier customer bases independently of the supplier itself. This would give such parties a competitive advantage to such parties; they would be able to gain access to DIP derived data but do not have to pay any share of such costs.

It is also apparent that there is no evidence that views expressed in response to Ofgem’s consultation that led to the award of BSCCO as the DIP manager have been considered. which is only further disapprovingly poor approach to the funding work undertaken to date. In addition, it appears that funding of non-core services is not very well developed at this point, or what services are core activities and what are non-core activities.

We consider funding arrangements to be of high importance and therefore proposals need to set out what the overarching funding arrangements that any DIP user is proposed to be, whether that be Core or non-Core funding provisions, this is with a view that all DIP users can consider and provide an informed view on whether they agree or disagree with funding proposals, at this particular point in time we do not believe there is any fruitful information provided in the current proposals to make an informed judgement, but are concerned given the direction of travel demonstrated in this consultation that considerations for all DIP funding will just be supplier

|  |     |   |
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|  |     | <p>based across the board on the basis even Ofgem’s funding decision has been overlooked.</p> <p>We consider these points to be potential issues that, if not addressed could jeopardise the eventual authority-led code modifications success and completion in a timely fashion, and in turn has high potential to cause delays to the MHHSP implementation timetable. To be clear this because impacted licensees are able to appeal any Ofgem final decisions on code modifications, and if that appeal remains unaddressed following Ofgem’s appeal decision (which is likely if they propose and decide on the modifications in question) licensees also have the right under the Electricity Act to raise an energy licence modification appeal to the Competition and Markets Authority and so on, clearly this is a situation that is not beneficial or fruitful to any MHHSP participant but is something suppliers may be forced into considering if improvements are not made to the current position.</p> <p>In order to avoid such a situation arising, we expect that future consultations consider Ofgem’s direction in such a way that the funding arrangements are appropriate, fair, reasonable and non-discriminatory and we recommend the way this is achieved through considering what different funding models could be, against which DIP user role types and how core and non-core service funding should work. This should be presented by consultation to wider industry, and that should include such parties that are likely to take benefits from the introduction of the DIP to ensure a diligent, transparent process is followed to prevent such risks and uncertainties materialising that could ultimately jeopardize the timely completion and success of the MHHS programme.</p> |
| Scottish Power Energy Networks         | Yes | While we are supportive of the proposed framework, there are no details of when the consultation period will be, and how far in advance of charge changes the final issue of the documentation will be.   |
| UK Power Networks                      | Yes | ‘Core’ services being funded by Suppliers only based on MPAN share seems reasonable. The full definition of ‘core’ needs to be expanded, and the ‘non-core’ charging arrangements for non-Supplier parties need to be detailed however.   |
| UW                                     | Yes | Yes, we agree with the proposed framework for funding and budget.   |
| SMS Plc                                | N/A | -   |
| SSE Energy Supply Limited              | Yes | The framework is a sensible solution and is not overly complicated to implement.  |
| National Grid Electricity Distribution | No  | As noted under Business requirements - “This can include one-off on-boarding, change or <u>data release</u> ”. What would be the charges relating to “data release” and which parties will be responsible for this funding? Further clarity is required on how this will work.  |
| OVO                                    | No  | Whilst we note the Ofgem principles for the framework of the DIP in their earlier decision-making, the DIP processes go well beyond the provision of accurate and timely settlements (into  |

|  |   |
|--|---|
|  | <p>many in life processes, industry wide demand and response, data provisions to wider participants etc). As such we recommend this approach is reconsidered and that the funding should be better spread across industry parties.</p> <p>For example, whilst MPAN ownership / portfolio size is a good indicator for usage this does not cover other parties usage, which could increase significantly driving up supplier costs. This is especially true if access to DIP data is shared to 'Other Parties' as the DCC data has in recent years. This has pushed up usage, costs and data contention and capacity.</p> <p>Therefore, this should not be viewed as solely supplier funded. There are many other participants who will be using the DIP (agents, registration services, DNO, LDSO, central parties, National Grid etc).</p> <p>We believe this will be fairer and more equitable longer term to ensure the costs are spread by usage (by all).</p> <p>In the event that this is a supplier only cost, will this funding be recoverable in the price cap or future funding mechanisms that replace the price cap? Noting that the DIP will be an additional cost to the current DTN gateway, as it is not a replacement for the DTN.</p> |
|--|---|

## Question 11: Do you agree that there should be no credit arrangements for the DIP?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 10  | 0  | 2                  | 0     |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent                     | Response | Rationale   |
|--------------------------------|----------|---|
| IMServ Europe Ltd              | Yes      | -   |
| Stark                          | Yes      | -   |
| RECCo                          | Yes      | No comment  |
| British Gas                    | Yes      | Yes we agree that implementing complex credit arrangements would not be efficient when compared to the risk.  |
| NBS & EON                      | Yes      | <p>Whilst we agree that there should be no credit arrangements for the DIP and a mutualisation mechanism is likely to be the best way forward to recover/credit funding parties, we do not see how this position has been reached as there is no details on what funding amounts will be, how the position that amounts involved will be relatively small particularly when compared to risk has been reached.</p> <p>As such we would also expect future consultations in this regard to set out further information to enable a more informed response to this question in the future, on the basis the DIP service provider is now on-board and the DIP is under development a ROM of expected costs should be obtainable in the not too distant future.</p> |
| Scottish Power Energy Networks | Yes      | -   |
| UK Power Networks              | Yes      | This removes the risk of non-payment and ensures all parties are treated consistently.  |
| UW                             | Yes      | Yes, we agree that there should be no credit arrangements for the DIP.  |
| SMS Plc                        | N/A      | -   |
| SSE Energy Supply Limited      | Yes      | Credit arrangements would add a further level of complexity that is unnecessary for the likely amounts involved.  |
| National Grid                  | -        | -   |

|                          |     |   |
|--------------------------|-----|---|
| Electricity Distribution |     |   |
| OVO                      | Yes | - |

## Question 12: Do you agree with the proposed framework for information security and data management?

### Summary

| Yes | No | Neutral/No Comment | Other |
|-----|----|--------------------|-------|
| 8   | 3  | 1                  | 0     |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent                     | Response | Rationale  |
|--------------------------------|----------|--|
| IMServ Europe Ltd              | No       | The proposed arrangements around information security and data management appear to overlap with other code bodies areas of responsibility in these areas, which will lead to inefficiency and duplication.  |
| Stark                          | Yes      | -  |
| RECCo                          | Yes      | <p>Whilst we agree with the proposed security framework, we note that currently the security requirements are captured in the DIP Code of Connection and Security Policy. If the expectation is that this will be baselined as a level two document then consideration should be given to the change approach to be applied. These requirements should not be amended without full industry consultation and impact assessment and must be clear, legally binding requirements.</p> <p>We also note the reference in the consultation to ISO accreditation but we were not aware that this was an explicit requirement in the Code of Connection i.e. section 2 of the Code of Connection refers to compliance evidence including, but not being limited to, statements of Applicability demonstrating that all applicable ISO/IEC 27001 controls have been applied, where appropriate (where an organisation is ISO 27001 certified).</p> |
| British Gas                    | Yes      | We agree with the proposed framework for information security and data management.   |
| NBS & EON                      | Yes      | No comments.   |
| Scottish Power Energy Networks | No       | <ul style="list-style-type: none"> <li>We are of the view that the data controller is the party that is determining the purposes of the processing, which mean that this feels more of a joint controller relationship with the DIP manager rather than a controller to processor relationship and this likely needs further discussion.</li> <li>There is no reference to the requirement for the DIP to undergo any due diligence in line with industry parties' internal due diligence processes or reference to any contractual terms. We believe that this is required before any data will be shared.</li> <li>As we are being required to use live data for testing processes it would be useful to include the lawful</li> </ul>   |

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|  |     | <p>justification for this and also whether this will be the ongoing assumption for any future testing, both during the implementation of MHHS and post 'Go-Live for future changes.ve for future changes.</p> <ul style="list-style-type: none"> <li>• SPEN would want to review security controls as 27001 requirements are dependent on the requirements put on the business. We are supportive of the review during the onboarding process for parties. There appears to be no reference to the ability for the DIP to demonstrate their adherence to the security controls mentioned, will Industry participants have visibility of this and also have the ability to enforce specific security controls on the system being used?</li> <li>• From the information provided in relation to the DIP there seems to be a general lack of accountability around data protection requirements, and we would want to see more detail before SPEN would be comfortable in sharing any live data.</li> </ul> |
| UK Power Networks                      | Yes | The proposed framework appears to be sensible and considers system and data security.   |
| UW                                     | Yes | Yes, we agree with the proposed framework for information security and data management.   |
| SMS Plc                                | N/A | -   |
| SSE Energy Supply Limited              | Yes | The framework appears to be complete and robust.  |
| National Grid Electricity Distribution | No  | Data Best Practice Guidance refers to "International Standards (ISO 27001 and ISO 27002) " – suggest add "or higher"  |
| OVO                                    | Yes | Whilst we generally agree with the proposed framework, we question whether this will be a blocker for new entrants to be ISO 27001 compliant.   |

## Question 13: Do you have any further comments regarding the proposed framework and Business Requirements for the DIP arrangements?

### Summary

| Yes | No |
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| 5   | 7  |

### Responses

A summary of the specific responses on the draft redlining can be found at the end of this document.

| Respondent        | Response | Rationale   |
|-------------------|----------|---|
| IMServ Europe Ltd | No       | -   |
| Stark             | No       | -   |
| RECCo             | Yes      | <p>The consultation refers to changes to the BSC and REC to reflect the obligations in the consultation being made via the DIP SCR. We do not believe there is explicitly a DIP SCR. Instead we are expecting these changes to be made to the BSC via a separate DIP Modification as part of the wider settlement reform SCR.</p> <p>Further consideration is required to whether the equivalent REC changes will be included in the MHHS text to be baselined through the Programme CCAG process or whether a separate DIP modification is required. Clarification from the DIP Manager / Ofgem on this latter point is required as soon as possible, but no later than end of September 2023.</p>   |
| British Gas       | Yes      | The business requirements need to include arrangements for Disaster Recovery and Management   |
| NBS & EON         | Yes      | <p>Whilst we recognise that the Issue 101 group developments is still in flight and in turn some gaps remain that will become clear when the legal text is presented for industry review, the following are some further concerns and/or supporting information to complement our response to the consultation questions:</p> <ul style="list-style-type: none"> <li>We do not believe there is any reason for Elexon to be recognised in the Transmission Licence as per our response to Q1, we would remind that condition C3 1D of the Transmission Licence enables the BSC to include provisions allowing the BSCCo or any affiliate of the BSCCo to undertake activities other than it's current operations of facilitating the BSC &amp; EMRS activities.</li> <li>"DIP SCR" is mentioned twice (see DIP message format changes text &amp; Legal Text Sections) however we are perplexed as to how or why a "DIP SCR" would be</li> </ul> |

required, needed or even suggested. The requirement for the DIP code modification that is expected once the Issue 101 recommendations have been made will result in an Ofgem code modification proposal which is only enabled because of the Authority's Market-wide Half-Hourly Settlement Significant Code Review (SCR) so it's very existence and entry into the electricity market is SCR led in itself.

As such we do not agree or support any rationale for a further "DIP SCR" as the reasoning given not only suggests the opposite direction of travel by expanding (as opposed to reducing) the existing industry codes, but is also not justified on the basis that the MHHSP have set out that "[The DIP is the new message orientated event-driven middleware component that will support the flow of events and messages between industry participants](#)" so it is fundamentally a modernised data exchange platform, as such it is complimentary to industry code requirements & defined process so critically it is not to be an industry code in its own right.

Under the Summary of how Ofgem requirements have been met, we would like to highlight/question the following:

1. It is suggested that Ofgem could be the "innovation representative", however such a role is not detailed in DCAB membership. In addition, the Ofgem representative is a non-voting member, but the innovation representative would hold voting rights, so this suggestion seems to conflict on voting rights whereby Ofgem could hold both voting and non-voting rights, as well as overall decision-making powers. so, the question is how is this not a conflict of interest??
2. As per the above, both consumer & innovation representatives were outlined as "potentially, establishing voting rights for a consumer representative and an innovation representative" – whilst we are not opposed to either representative holding voting rights, Ofgem did not say "If there is voting on change, a consumer representative and innovation representative should be considered", so this is misleading and not an actual Ofgem requirement as written, as the actual requirement appears to be more of consideration than a "should".
3. Whilst we are opposed to DIP applicable objective 5, there is a distinct lack of reasoning as to why objectives, 3,4 & 5 have been included, even though we are not opposed to 2 of the 3 applicable objectives rationale for their inclusion is not present. Code objectives are reflected in licences which has historically provided justification as to why they exist, and what code objectives should be met when proposing modifications.

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|                                |     | <p>However as these are not licence-related applicable objectives and are not required via Ofgem direction any additional applicable objectives should be justified and made clear for wider review and input.</p> <p>4. In terms of the requirement “Suppliers should fund core DIP Services relating to providing accurate and timely support for the Settlement process”, we have made clear in our response to Q10 that this clearly is not the case, as Ofgem set out a minded too position with the expectation that BSCCo is to develop and consult on a code modification proposal to consider whether it would be appropriate for other beneficiaries to fund core EDA activities, as well as taking into responses to it’s consultation responses, so we feel this is another misrepresentation made that is trying to cover over the actual expectations placed on BSCCo.</p> <p>Ofgem outlined that DIP charges should be based on a connection fee and DIP usage, yet the how it’s been met states “The sharing of costs will be based on DIP usage and may include a connection fee (A-F1). MPAN share will be used (BR-F15), these clearly are not the same requirements and moving the connection from a “should” to a “may” only suggests that intent is to charge suppliers a connection fee but likely waive it for other DIP users, whilst this our opinion the point being that the change creates ambiguity and so we disagree that the requirement has been met – this needs to be reconsidered and presented back with a funding mechanism based on Ofgem’s direction. (see response to BR-18 below also).</p> |
| Scottish Power Energy Networks | No  | No further comments  |
| UK Power Networks              | No  | N/A  |
| UW                             | Yes | Yes, we believe that DIP integrators (DIP adaptor service providers) should have the ability to have multiple end points giving them direct access to the relevant information/data for their clients. The current arrangements increases complexity and carries additional risks as suppliers will typically share the data with multiple parties.  |
| SMS Plc                        | N/A | -  |
| SSE Energy Supply Limited      | Yes | <p>There do not appear to be any published SLAs for referenced change management, document management or DIP message format changes. There are a few DCAB references to 5WDs in Section 3.4.8, but nothing that really references change management SLAs.</p> <p>If a change is deemed material, then does this have a heightened or extended SLA for the change? There does not appear to be any supporting documentation on this regarding SLAs.</p> <p>There do not appear to be any mentions of major and minor changes, or whether all change is mandatory. Would a minor change not result in a version change, and so only material changes result in a version change. We could end up running DIPS adaptor at Version X.nn and the DIPS is running at V X.nn+3 for example? We assume that if DIPS goes to Version</p>  |

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|  |    | Y.nn we would have to change to Y.nn too. This is relevant when we have reliance on another party for the DIPS adaptor. We are keen to achieve clarity on major/minor version number change management and the associated SLAs. |
| National Grid Electricity Distribution | -  | -   |
| OVO                                    | No | -   |

## Business Requirements

| Respondent | Location | Comment   |
|------------|----------|---|
| RECCo      | BR-A17   | BR-A17 refers to a DIP MPAN Address Maintenance Service. Please could you confirm what this service is and how this is expected to interact with the Address Management Service under REC governance, introduced via the Switching Programme.   |
| NBS & EON  | A-S1     | Outlines that “Primary communication on all such issue will be via the ServiceNow portal”, there is no other reference to ServiceNow portal within the consultation document and we do not know what this is, how it its accessed etc. Therefore we cannot agree this part of the service management framework without further information being provided.  |
| NBS & EON  | A-G9     | <p>We do not agree that the Transmission License should reflect Elexon’s role in delivering the DIP enduring solution, this should state “BSCCo’s role” as opposed to Elexon’s role.</p> <p>This is on the basis that Ofgem had decided that “BSCCo should govern the MHHS EDA-DIP through the BSC” in it’s published decision dated 21/04/22 .The Government and Ofgem’s response to the consultation regarding Elexon ownership outlined that Transmission Licence condition C3 would move to the new FSO licence in the future, with the expectation that only a supplier/generator licence change is expected to set out Elexon’s future shareholder provisions. Transmission Licence condition C3 1b sets out the requirement that transmission licensees “shall establish a Balancing and Settlement Code Company (BSCCo) to provide and procure facilities, resources and services required for the proper, effective and efficient implementation of the BSC”, so remains in the Transmission Licence so Elexon’s role as BSCCo is what should reflect Transmission Licence, as it already exists and would not challenge what are 2 very clearly outlined authority decisions, or raise thoughts that this vires of the BSC to facilitate and the scope of issue 101, which is in place to support in the development of an BSC Authority-led SCR Modification, all of which clearly denotes the MHHS EDA-DIP is to be governed by BSCCo as opposed to Elexon Ltd.</p> |
| NBS & EON  | A-S6     | Ok with assumption, but who with – code bodies? Code Panels parties etc? – these needs further thinking particularly if this is to be a feature directly with participants, as it may well need a concept of contract manager roles within each organisation if it is to become a party obligation to support these discussions.  |
| NBS & EON  | A-Q12    | Solution Architecture has identified the MOA/MEM initial DIP Roles, but they are listed explicitly in the DCAB membership list – why is this?   |
| NBS & EON  | BR-A6    | We disagree with this assumption – this should be landed on as either DIP manager auditing or a 3rd party auditing, not a choice for the DIP manager to make. We recommend this is always a 3rd party auditor to assure that DIP manager is performing it’s functions correctly as well as 3rd parties.   |
| NBS & EON  | BR-A7    | We disagree with this, what’s the rationale for annual audits? does this need to happen on any cycle?? – the DIP is a data transfer function so is directly comparable to the DTSA, and that has managed the DTN audits for 20+ years on a “time to time” basis so is ad hoc, as per clause clause 21.6 of the DTSA. There is no reason for this assumption in any  |

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|                   |                 | explanations in this consultation document and seems to be treating the DIP manager as another industry code when it should be a “supplement” to the BSC. It’s essentially overkill in assurance regime in our opinion so the assumption needs to be ratified and explained.  |
| NBS & EON         | BR-C11          | As per previous comments, why is this not being managed within the realms of BSCCo – i.e., why is Authority responsible and not the BSC panel, then onto Ofgem? – we suspect that this is over engineering the DIP managers function, essentially it appears that its being developed as a standalone code.   |
| NBS & EON         | BR-C11          | Why is this needed or assumed?? – if managed within BSCCo then the authority would be able to make use of existing powers to intervene, so this seems to be over engineering  |
| NBS & EON         | BR-C16          | “Changes shall be consulted on (standfast maintenance and routine updates), but this may be foregone where urgency is a necessity; this shall be at the DIP Manager’s discretion”– expectation is that this situation is to be very tightly defined so instances where the DIP manager does not use its discretion but is done because criteria is met....  |
| NBS & EON         | BR-C22          | As per comments do not agree with objective 5   |
| NBS & EON         | BR-C35          | Whilst we are supportive of this requirement, clarity is required in what context, i.e., is this by extension of a role under the BSC or is the intent for the DIP to be a standalone, in which case what vires is the DIP manager able to be a member of the CCSG  |
| NBS & EON         | BR-F1 - BR-F5   | As per response to Q10 – we disagree with all these Business requirements as they are not in line with Ofgem decision regarding funding.  |
| NBS & EON         | BR-F6           | Similar to above however the former explicitly places such costs for onboarding, change management are supplier liabilities, suggesting supplier pays for any onboarding or any change. This does not appear to be access to the DIP, as supplier funds regardless of change type or who is being onboarded onto the DIP, why should suppliers fund changes not relevant to core services?  |
| NBS & EON         | BR-F13 & BR-F13 | Does not align to Ofgem’s recommended funding arrangements as per response to Q10.  |
| NBS & EON         | BR-F18          | Generally struggling with this requirement – this suggests that either credits (because of over recovery of DIP funds) or debits (under recovery) will be pinned to final settlement run (RF), seems to be self-perpetuating because of charging based being based on MPAN count (as proposed) for which may change, but would not change if based on DIP usage as Ofgem intended, so the requirement is adding complexity that would not be there if charging was usage based. |
| UK Power Networks | A-Q11           | Both “MHHS” and “DIP Mgr” columns are blank   |
| UK Power Networks | A-Q12           | Should the Marketwide Data Service (MDS) be in this section as well?  |
| UK Power Networks | A-Q14           | Don’t believe it’s a requirement of Registration Services to ensure that data in other participant systems is correctly managed and maintained  |
| UK Power Networks | A-O2            | Presumably this is only possible under normal circumstances where the DIP User has “run down” any existing settlement commitment  |

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| UK Power Networks                      | A-O3                           | Will there be any further communication from DIP Manager to the wider industry of this happening, or is that captured in another process elsewhere?   |
| UK Power Networks                      | A-C9                           | Shouldn't this assumption also apply to MHHS to cover the initial population into the EMAR?   |
| UK Power Networks                      | A-F1                           | Are there any defined criteria about when a connection fee may be incurred?   |
| UK Power Networks                      | A-F10                          | What does "FSS" stand for? This acronym isn't defined elsewhere in the document   |
| UK Power Networks                      | BR-G3                          | There's no particular recognition of DCAB representatives needing to leave DCAB outside of the formal elected 2 year period (e.g. they have left their company) and the process for filling their vacancies                             |
| UK Power Networks                      | BR-G5                          | If nominators can't be within the same Company, how will any candidates ever get nominated?   |
| UK Power Networks                      | BR-M13                         | Is there a defined process and timescale for this expiry notification? Presumably enough notice needs to be given for the DIP User to have time to undertake the recertification process  |
| UK Power Networks                      | BR-S1                          | Possible typo: should "and" in the first line be "an"?  |
| UK Power Networks                      | BR-Q4                          | Typo in the second line of "commencedbr"  |
| UK Power Networks                      | BR-Q5                          | Possible typo: should "no" in point 28 be "non"?  |
| UK Power Networks                      | BR-O16                         | In point 4, is there an agreed process for a "dynamic" data publication of ISD? Are there any other triggers for this outside of SoLR events as described?  |
| UK Power Networks                      | BR-O16                         | In points 6 and 7, presumably the Supplier's MPID will remain the same as before. Does this just affect the population of data in ISD Entity M16 Market Participant to DIP Participant Mapping?   |
| UK Power Networks                      | BR-I8                          | Will the self-assessments been done against a published standard?   |
| UK Power Networks                      | 4.4                            | Possible typo: should "he" in the first line be "the"?  |
| National Grid Electricity Distribution | A-M2                           | "DiP will receive MPID and MDD from IDS". Assume this should read "ISD" not "IDS" if so, "MDD" and "ISD" are one and the same.  |
| National Grid Electricity Distribution | BR-G1                          | DCAB has no iDNO representative   |
| National Grid Electricity Distribution | BR-G7                          | Currently there are concerns on the voting mechanisms in MHHS DAG where there is a mis-alignment between the parties representation which can skew voting   |
| National Grid Electricity Distribution | BR-F6                          | "This can include one-off on-boarding, change or <u>data release</u> ". What would be the charges relating to "data release" and which parties will be responsible for this funding? Further clarity is required on how this will work. |
| National Grid Electricity Distribution | DIP Service Provider Assurance | The Business Requirements are silent on planned maintenance/downtime. Will this be published? How will this be communicated? How much notice will be provided?  |

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| National Grid Electricity Distribution | DIP Service Provider Assurance | The Business Requirements are silent on incident management.  |
| National Grid Electricity Distribution | DIP Message Format Changes     | Will there be scheduled releases as currently with Codes or would any DIP changes be implemented ad hoc?  |
| National Grid Electricity Distribution | Patching and upgrades          | Any potential downtime for patching and upgrades would need to be scheduled and communicated out to industry parties to ensure SLAs for messages are unaffected or mitigated. |
| National Grid Electricity Distribution | DIP Subsidiary Documents       | Where will these be hosted?   |
| OVO                                    | Information Security section   | BR-112 mentions "PEN testing" however this is short for "penetration testing", not an acronym.  |