

4.7 Issue Form

Issue Form - BSCP40/04	Issue Number Issue 101 <i>(mandatory by BSCCo)</i>
Issue Title <i>(Mandatory by originator)</i> Ongoing Governance, Funding and Operation of the Market-wide Half Hourly Settlement (MHHS) Data Integration Platform (DIP) by BSCCo	
Issue Description <i>(Mandatory by originator)</i> MHHS will make use of additional meter readings available from smart and advanced meters, resulting in a significant increase in the volume and frequency of data feeding into Settlement. As part of the earlier work under the Electricity Settlement Reform Significant Code Review (SCR), the Architecture Working Group (AWG) was established to develop, consult on and recommend solutions for the future system architecture design. The AWG ¹ recommended to Ofgem that ‘event driven’ reference architecture be developed to support MHHS implementation. In December 2021, Ofgem published its decision ² supporting the AWG’s recommendation. The decision requires industry to develop a hybrid architecture comprising the existing Data Transfer Service (DTS) and a new Event Driven Architecture (EDA) platform. The EDA based system is being developed as a key component to support delivery of the MHHS Target Operating Model (TOM) and will be able to respond to the increase in volume and frequency of data more quickly than the current arrangements. The Data Integration Platform (DIP) is the delivery mechanism for the MHHS EDA. Modification P439 ‘Enabling BSCCo to undertake development of the EDA-based Data Integration Platform’ ³ was implemented on 1 June 2022 which permits BSCCo in its role as MHHS Implementation Manager to design, build, test and implement the DIP before transferring to the enduring DIP system operator. The detailed arrangements for the ongoing operation of the DIP were outside the scope of Modification P439. In January 2022, Ofgem consulted on the ongoing governance, funding and operation of the EDA for MHHS ⁴ , seeking views on which party (Retail Energy Code Company (RECCo) or Balancing and Settlement Code Company (BSCCo)) would be best placed to undertake this responsibility. Ofgem published their Decision on the governance, funding and operation of an EDA for MHHS ⁵ on 21 April 2022, which determined that BSCCo should govern the EDA through the BSC. A Modification to the BSC is required to give effect to this decision. A BSC Issue is required to define the requirements and principles for the on-going DIP arrangements that can be included in the BSC Modification.	

¹ <https://www.elexon.co.uk/article/architecture-working-group-makes-recommendation-on-reference-architecture-to-support-mhhs/>

² <https://www.ofgem.gov.uk/publications/decision-reference-architecture-market-wide-half-hourly-settlement-target-operating-model>

³ <https://www.elexon.co.uk/mod-proposal/p439/>

⁴ <https://www.ofgem.gov.uk/publications/market-wide-half-hourly-settlement-mhhs-consultation-governance-funding-and-operation-event-driven-architecture>

⁵ <https://www.ofgem.gov.uk/publications/decision-governance-funding-and-operation-event-driven-architecture-market-wide-half-hourly-settlement>

Justification for Examining Issue *(Mandatory by originator)*

Ofgem intend to raise an Authority-led Significant Code Review (SCR) Modification which will formally implement changes for the ongoing governance, funding and operation of the DIP into the BSC. Before this Modification is raised, Ofgem have asked Elexon (in its role as a MHHS Participant) to develop the proposed solution in consultation with industry. This will build on the steer that Ofgem provided in their [decision document](#)⁵ and industry views that were shared as part of the Ofgem consultation responses.

The Issue process under the BSC is a mechanism that the industry is familiar with, and can be used for exploring and developing potential solutions to industry defects. Elexon will use the Issue process to seek industry input, through Workgroups and consultations, into development of the proposed solution.

Without a Modification to the BSC, industry will not have clarity or certainty about the governance and funding processes for operation of the DIP. The DIP is a critical component of MHHS delivery, providing a system solution that is capable of scaling to process high volumes of messages in a timely manner.

Potential Solution(s) *(Optional by originator)*

There are a number of areas that will be considered under the Issue Group. Elexon will seek views from industry on solution options that will form part of final proposals for the Authority-led SCR Modification. Elexon are proposing to cover the following within the Issue Group:

- **Funding Arrangements** – defining core and non-core activities relating to use of the DIP, establishing funding mechanisms for both core and non-core services including which parties they should be funded by, budget setting/approval and invoicing arrangements.
- **Governance** – establishing inclusive governance for all users of the DIP, determining user access arrangements, considering interactions with existing BSC governance and how DIP operation is incorporated into the BSC.
- **Change Management** – establishing a DIP change process where all interested parties can propose and vote on change, providing clarity on the process for solution development, stakeholder engagement and decision making, exploring opportunities to make the change process agile and responsive, and recognising any particular cross code interactions.
- **Data Access** – considering how the solution is in line with Ofgem’s Data Best Practice Guidance and operates in conjunction with the BSC Open Data Principle, and establishing processes required for providing access to data. Addressing requirements relating to furthering consumers’ interests and driving innovation whilst ensuring data provision is appropriately controlled and does not distort competition.
- **Service Provision** – developing provisions around service assurance including appropriate performance reporting and the ability to commission independent audits.

A Terms of Reference will be taken to the first Issue Group meeting for approval by the Issue Group.

Proposer’s Details*Name*

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