

Justin Andrews
Head of Design Authority
Elexon

24 May 2021

Dear Justin,

Consultation on reference Architecture to support Market-wide Half Hourly Settlement

Thank you for the opportunity to comment on the next phase of the MHHS programme and the proposed 'Event Driven Architecture'. As you know, we are fully supportive of Elexon undertaking the role of Senior Responsible Owner for the MHHS programme, working within the wider policy and decision-making framework of Ofgem, as the Programme Sponsor.

These proposals represent an important next step in the programme and have the potential to shape the electricity settlement, and consequently the electricity retail arrangements, for many years to come. It is therefore important that they are fully cognisant of all current and emerging market developments. Whilst we appreciate that a lot of work has gone into the Target Operating Model (TOM) over the past four years, we are concerned that the proposals stem from a traditional frame of reference, heavily centralised and prescriptive, whereas all trends in energy appear to be towards a more decentralised model.

We are keen to further understand the extent to which the TOM would complement, and be able to adapt to likely changes, for instance to the role of the Electricity System Operator, the initiatives proposed in the energy white paper, and further evolution of the retail energy market such as widespread peer-to-peer trading and/or growth of the 'prosumer'. Before any significant decisions are made on the architecture, we would welcome further cross-industry engagement on these proposals and assurance that any investment triggered by those decisions will not be placed at risk by foreseeable changes in market requirements.

We look forward to working closely with you and collaborating fully to ensure the successful completion of this programme and realise its important contribution to delivering a net-zero electricity industry.

Yours sincerely

Sid Cox,
CEO, RECCo Ltd

info@retailenergycode.co.uk
www.retailenergycode.co.uk
Retail Energy Code Company Limited
Registered in England and Wales No 10989875
Registered Office: 130 Old Street, London EC1V 9BD