

PUBLIC

Code Change and Development Group

Work Plan



ELEXON
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MARKET-WIDE HALF HOURLY SETTLEMENT

INTRODUCTION

The Code Change and Development Group (CCDG) has been convened to progress the development of further detail on the Target Operating Model (TOM) for Market-wide Half Hourly Settlement (MHHS) under [Ofgem's Settlement Reform Significant Code Review \(SCR\)](#).

In August 2019 the [Design Working Group \(DWG\)](#) delivered its final Report to Ofgem, setting out the DWG preferred TOM and Transition Approach. Ofgem has now set up two new working groups, the CCDG and the Architecture Working Group (AWG) to progress changes in parallel to its work on the Full Business Case for Settlement Reform. The Terms of Reference for the CCDG are published on the [Ofgem website](#) and require the CCDG to submit its work plan to Ofgem for approval.

This document sets out the CCDG's proposed work plan to deliver its Terms of Reference. ELEXON has submitted this plan for Ofgem's approval on the CCDG's behalf.

DETAILED DESIGN AREAS

During Stage 2, the DWG identified a non-exhaustive list of areas of the detailed TOM design that will need further consideration and development. This is before legal drafting can be produced for the impacted Industry Codes. Some areas are being progressed by the AWG, Performance Assurance Board (PAB) and Trading Disputes Committee (TDC).

Responsible Entity	Detailed Design Area
CCDG	<ul style="list-style-type: none">i) Redefinition of existing industry data items (e.g. Measurement Classes, Consumption Component Classes) and what is needed or can be removed or simplified for MHHS;ii) Registration and Data Service Interactions (appointments and confirmations);iii) Exception reporting detail for Data Services under the TOM. What can be removed, simplified or additional reporting that is required;iv) The approach to calculating and applying Grid Supply Point (GSP) Group Correction Factors and GSP Group scaling weights. This would to ensure appropriate incentives are in place for timely submission of accurate meter data into MHHS (as well reflecting the impact of errors on the relevant Settlement quantities);v) Identification of issues and solutions relating to the Settlement of Export. This area would consider what the impact of export and spill is on Settlement accuracy and place the correct incentives on Suppliers (recognising interaction with BEIS's direction on metering export);vi) Detailed approach to the Settlement Run 'run-off' arrangements under the new TOM. Further work is required to set out the activities to transition from the current Settlement arrangements (including Non Half Hourly) to the MHHS TOM; andvii) Identification of impacted sections of all relevant Industry Codes (BSC, DCUSA, MRA/REC, SEC) and Code Subsidiary Documents (CSDs).

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Responsible Entity	Detailed Design Area
AWG	viii) Identification of appropriate Interfaces to BSC Central Services, Data Services and Registration systems; and ix) Options for transfer or access to Settlement or Registration data.
PAB and TDC	i) Development of PAB and TDC's approach to performance targets and the detailed Trading Disputes process. To ensure the right incentives, monitoring and standards are in place on maintaining Settlement accuracy and the obligations on Suppliers.

Other non-Settlement issues for further consideration

Where the CCDG determines that any existing BSC data items are no longer required for Settlement under the TOM, it may identify a potential need to retain these data items for non-Settlement purposes. In this situation, the CCDG will recommend what it believes is the most appropriate industry forum to discuss this further (which may be outside the BSC). For example, some DWG members were concerned over the tariff impacts of removing Standard Settlement Configurations (SSCs).

SCOPE

ELEXON will be responsible for the development and delivery of straw men and options to the CCDG, and CCDG recommendations to Ofgem, for the Settlement design for MHHS.

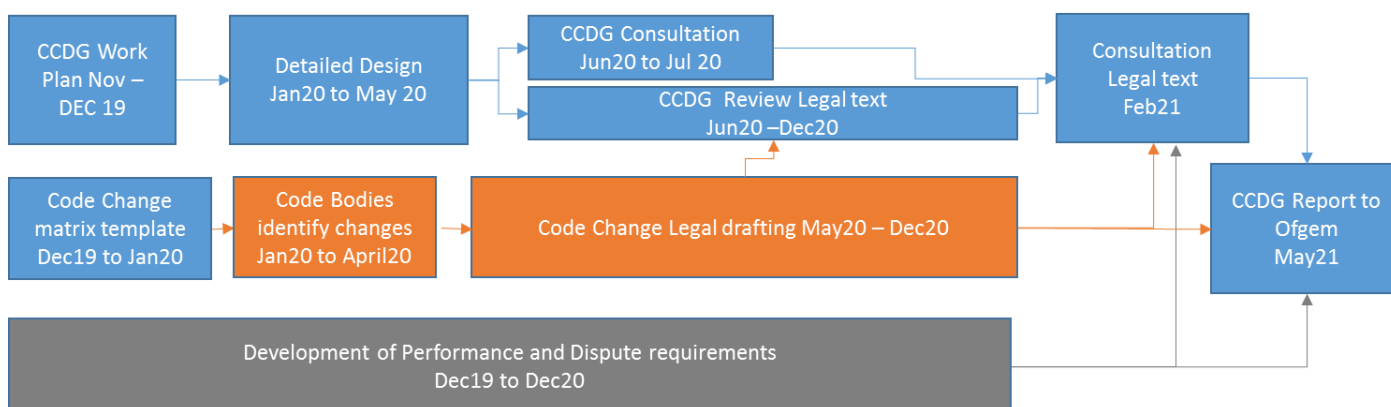
The CCDG will make TOM development recommendations for the appropriate decision areas outlined in its [Terms of Reference](#).

The scope will cover all industry Supplier Volume Allocation (SVA) Settlement processes. The CCDG will also review and provide feedback on PAB and TDC recommendations and Code changes required for MHHS.

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CCDG HIGH LEVEL TIMELINE

The CCDG Gantt chart can be found in Attachment A. ELEXON/Ofgem will meet with Code Body representatives to discuss requirements, approach to identifying Code Changes and timelines for drafting of Legal Text. A high level time line is set out below:



INITIAL PLANNING AND WAYS FOR WORKING

The CCDG held its [first meeting](#) on **5 December 2019**, part of which was a joint introductory session with the AWG. The CCDG and AWG members were brought up to speed on the DWG preferred TOM and Transition Approach. The CCDG also reviewed and agreed this draft work plan and its ways of working.

The CCDG will define which areas of work are to be progressed, and by which CCDG members and invited experts, between each of the scheduled CCDG meetings. Interim deliverables will be defined by the CCDG. CCDG members will identify areas of expertise and interest to which they wish to contribute between meetings.

ELEXON will work up material for each CCDG meeting. At the meeting the CCDG will identify solutions for the detailed design area. ELEXON will then work up the solution with a subset of volunteer CCDG members into internal working documents, which will then be reviewed by the whole group at the next CCDG meeting. The internal working documents will then be used to develop a consultation on the detailed design areas.

Code changes that are dependent on the CCDG's recommendations on the outstanding detailed design areas ('dependent changes' as defined in detailed design areas tabulation) will be progressed after the changes that are not dependent on knowing the detailed design ('non-dependent changes'). The BSC changes are expected to have the most dependency on the detailed design, with changes to other Industry Codes being largely non-dependent.

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CCDG DEVELOPMENT MEETINGS

The areas of development to be agreed by the CCDG and progressed over the following 18 meetings:

Meeting Number	Meeting date	Area of Consideration	Internal Outputs
1	5 December 2019	Review of draft work plan, Code Change Matrix and agreed ways of working.	Finalised work plan and CC Matrix template. Work plan provided to Ofgem once finalised. CC Matrix provided to Code Bodies with timetable for completion. CCDG volunteers to work on detailed design areas between meetings.
2	15 January 2020	Identification of new risks and issues. Agree approach to redefining existing industry data items, Registration and Data Service Interactions (appointments and Confirmations).	Working Document A setting out all the risks, issues, data items (MCs, CCC, data flow items, registration data, exception report requirements). Approach to registration and appointments.
3	18 February 2020	Review Working Document A. Agree approach to calculating and applying GSP Group Correction Factors and GSP Group scaling weights. Identification of issues and solutions relating to the Settlement of Export.	Working Document B: Approach to GSPGCF and recommended approach to calculation of scaling weights.
4	17 March 2020	Review of Working Document B. Detailed approach to the Settlement Run 'run-off' arrangements under the new TOM. Undertake an assessment of all the recommendations against the TOM Design Principles and the TOM Development Principles. Identify and Transition Approach requirements relating to run-of approach.	Working Document C: Draft run-off arrangements. Assessment of changes against principles. Transition Approach requirements.
5	21 April 2020	Review Working Document C. Review of Code Change Matrices as completed by Code Bodies and agree approach to review of draft Legal text. Agree consultation questions.	Draft Consultation document using Working Documents A-C. Agreed approach to packaging of Code Changes and sequencing. Direct drafting of Legal Text (non-dependent changes).

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Meeting Number	Meeting date	Area of Consideration	Internal Outputs
6	19 May 2020	Review and publish of Draft Consultation on detailed Areas developed.	Finalised Consultation Document.
7	16 June 2020	Review Draft Legal Text (non-dependent changes).	Review comments for Code Bodies.
8	21 July 2020	Review Draft Legal Text (non-dependent changes).	Review comments for Code Bodies.
9	18 August 2020	Review of Consultation Responses on detailed Areas developed.	Document changes to detailed design following consultation. Direct drafting of Legal text (dependent changes). Update CC Matrices to include dependent changes.
10	15 September 2020	Review Draft Legal Text.	Review comments for Code Bodies.
11	20 October 2020	Review Draft Legal Text.	Review comments for Code Bodies.
12	17 November 2020	Review Legal Text.	Review comments for Code Bodies.
13	15 December 2020	Final Review Legal Text.	Review comments for Code Bodies. Draft consultation on Legal Text and 'easy read' version of approach and changes.
14	January 2021	Review and finalise consultation on Legal text.	Finalised consultation on Legal Text.
15	February 2021	Consultation on all draft legal text. Agree Final Report Structure.	Agree and publish consultation on Legal text. Draft Final Report.
16	March 2021	Review consultation responses.	Identify any changes to Legal text and draft Final Report to Ofgem.
17	April 2021	Review Final Report to Ofgem.	Updated Report to Ofgem.
18	May 2021	Agree Final Report.	Finalise Report to Ofgem.
	May 2021	Final Report to Ofgem.	Publish on BSC Website.

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Meetings will be scheduled between 10:00 a.m. and 16:00 p.m. and will be held at ELEXON – unless agreed otherwise by the CCDG. Meeting dates shown are provisional; the CCDG may adjust the number and/or timing of meetings as required to deliver its Terms of Reference.

The CCDG proposes that only changes to the number or timing of external milestones should require Ofgem’s re-approval (i.e. external consultations and reports, as shown in the external deliverables table below). This will enable the CCDG to flex internal activities and milestones as may be needed, without having to resubmit this work plan.

CCDG CODE CHANGE IDENTIFICATION AND DEVELOPMENT

ELEXON will meet regularly with Ofgem and representatives of other Codes to discuss the areas of change for each Code. Code Representatives may be invited from time to time to the CCDG meetings where appropriate.

The CCDG will task the Codes representatives from each Code to identify areas of their respective Codes that will require modification or change. ELEXON will provide a ‘Code Change Matrix’ to be completed by each Code Representative in a common format.

The CCDG will review the matrices as provided by each Code Representative. Each Code Body will be responsible for drafting the legal text changes to their respective Code(s), based on the matrices. We expect Ofgem to direct Code Bodies to undertake this work according to the timescales in this plan. Each Code Body will also be responsible for producing clear and easy to understand explanations of the approach to, and meaning of, the legal drafting for its Code(s).

CONSULTATIONS

Consultation on the CCDG’s detailed design recommendations and the completed Code Change Matrices will be held between **June and July 2020**. The CCDG will discuss the consultation responses and agree any changes required to the detailed design. ELEXON, and other Code Bodies as appropriate, will then start drafting the legal text for the dependent changes. Drafting of non-dependent changes can begin before this consultation, as soon as the Code Change Matrices have been completed.

Consultation on the full legal drafting for each Industry Code (both dependent and non-dependent changes) will be held between **February and March 2021**.

INTERACTION WITH OTHER WORK

The CCDG will identify interactions and dependencies with other work streams in the Settlement Reform SCR, as well as other SCRs and industry initiatives. While the CCDG’s view of these will evolve as its work progresses, it is currently aware of the following areas (which may not be an exhaustive list):

- **AWG:** The CCDG has prioritised detailed design areas on which the AWG’s work may be dependent (e.g. defining data items and Registration interactions), so that these are developed first. In turn, the CCDG will need to know the AWG’s recommended target architecture before it can define interfaces between TOM services.
- **PAF work:** The CCDG will need to monitor the progress of the PAB’s and TDC’s PAF work, to mitigate any risk of conflicts and to recommend which (if any) changes in this area should be delivered using MHHS project governance rather than the normal BSC change process.
- **Data access:** The CCDG will need to monitor the progress of Ofgem’s remaining work on data access under this Settlement Reform SCR, in particular to understand what supporting detailed Settlement processes may be needed to support Ofgem’s ‘opt-out’ arrangements for domestic customers.

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- **Faster Switching:** The DWG concluded that the Faster Switching arrangements will need to be implemented before transition to the TOM can begin.
- **Access and Forward Looking Charging Review:** The CCDG will need to understand any requirements for Settlement services/data arising from this work.
- **Retail Energy Code (REC):** The CCDG will need clarity from Ofgem on whether the legal text for MHHS should be drafted against the current suite of Industry Codes or the new consolidated REC, noting the interaction with Ofgem’s separate [Retail Code Consolidation SCR](#).

ELEXON or Ofgem (as appropriate) will provide the CCDG with updates on any work which is identified as having an interaction or dependency with the CCDG’s own deliverables.

PROGRESS REPORTS REQUIREMENTS

High-level progress reporting requirements are as follows:

- ELEXON will publish the CCDG’s approved headline reports on the BSC Website after each meeting; and
- ELEXON will update the Ofgem-led Design Advisory Board (DAB) and Ofgem’s TOM Board on CCDG progress and recommendations as required, such that Ofgem can manage interaction with its work on the Full Business Case for Settlement Reform and other SCRs.

EXTERNAL DELIVERABLES

No.	Deliverable	Description	Date
1.	CCDG Work Plan	A detailed Work Plan and Gantt chart for Ofgem’s approval	December 2019
2.	Consultation on developed TOM design areas	4 week consultation on areas developed by the CCDG	June – July 2020
3.	Consultation on draft Legal Text	4 week consultation on all draft legal text (dependent and non-dependent)	February 2021
4.	Report to Ofgem	Final Report to Ofgem	May 2021