

PUBLIC

Code Change and Development Group

Work Plan



ELEXON
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CONTENTS

INTRODUCTION	3
DETAILED DESIGN AREAS	3
Other non-Settlement issues for further consideration.....	4
SCOPE	4
CCDG HIGH LEVEL TIMELINE	4
INITIAL PLANNING AND WAYS FOR WORKING	5
CCDG DEVELOPMENT MEETINGS	5
DEVELOPMENT CONSULTATION	7
CCDG CODE CHANGE IDENTIFICATION AND DEVELOPMENT	7
CODE CHANGE DRAFTING	7
INTERACTION WITH OTHER WORK STREAMS	7
REPORTING REQUIREMENTS	8
EXTERNAL DELIVERABLES	8

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](#).

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) Rationalisation 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).
AWG	<ul style="list-style-type: none">viii) Identification of appropriate Interfaces to BSC Central Services, Data Services and Registration systems; andix) Options for transfer or access to Settlement or Registration data.

MARKET-WIDE HALF HOURLY SETTLEMENT

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.
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Other non-Settlement issues for further consideration

There may be other non-Settlement areas that need to be considered. In relation to industry data items, some DWG members remained concerned over the tariff impacts of removing Standard Settlement Configurations (SSCs). Other members consider that this is not a Settlement issue and may be better resolved outside the BSC. The above areas for consideration are reflected in the TOR for CCDG.

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 and AWG will make TOM development recommendations, for the appropriate decision areas outlined in their Terms of Reference. TOM development recommendations must be consistent with Ofgem’s TOM development principles. They must also be consistent with Ofgem’s TOM Design Principles (which include the TOM Strategic Objectives) and overall objectives of the MHHS project, both of which are set out in the SCR Launch Statement.

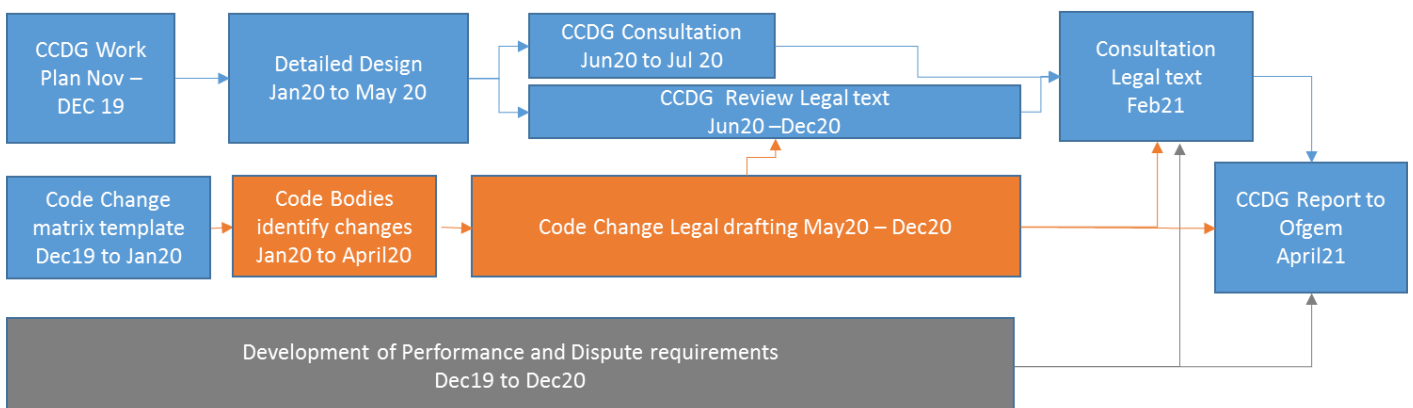
The scope will cover all industry Supplier Volume Allocation (SVA) Settlement processes. The CCDG’s proposed scope, approach and timeline for the work is to be submitted to Ofgem within two months of the CCDG’s first meeting, for Ofgem to agree. The CCDG will also review and provide feedback on PAB and TDC recommendations and Code changes required for MHHS.

The CCDG will take account of any developments and dependencies with other industry SCRs and initiatives.

The CCDG will also recommend where non-Settlement considerations are to be referred or progressed.

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:



MARKET-WIDE HALF HOURLY SETTLEMENT

INITIAL PLANNING AND WAYS FOR WORKING

The first meeting will be a joint meeting with the AWG. The CCDG and AWG members will be brought up to speed on the DWG preferred TOM and Transition Approach. The CCDG will also review and develop this draft work plan and agree ways of working. The meeting has been scheduled for **5 December 2019**.

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.

It is proposed that ELEXON will work up material for each CCDG meeting. At the meeting the CCDG identify solutions for the detailed design area. The solution is then worked up by ELEXON with a subset of volunteer CCDG members into internal working documents to 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 detailed design (dependent changes as defined in detailed design areas tabulation) will be progressed after the changes that are not dependent (non-dependent changes) on knowing the detailed design.

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 and agreed ways of working	Updated draft work plan and CCDG work streams.
2	15 January 2020	Review of agreed changes to work plan and review of draft Code change matrices. Identification of new risks and issues and Rationalisation of existing industry data items, Registration and Data Service Interactions (appointments and Confirmations)	Finalised work plan and CC matrix template. Work plan provided to Ofgem once finalised. CC Matrix template provided to Code bodies with Timetable. Working Document A. document setting out all the risks, issues, data items (MCs, CCC, data flow items, registration data, exception report requirements). Approach to registration and appointments.
3	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	March 2020	Review of Working Document B. Detailed approach to the Settlement Run 'run-off' arrangements under the new TOM.	Working Document C: Draft run-off arrangements. Agreed approach to packaging of Code Changes and

MARKET-WIDE HALF HOURLY SETTLEMENT

Meeting Number	Meeting date	Area of Consideration	Internal Outputs
		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.	sequencing. Assessment of changes against principles. Transition Approach requirements.
5	April 2020	Review Working Document C. Review of Code Change Matrices and agree approach to review of draft Legal text. Agree consultation questions.	Draft Consultation document using Working Documents A-C. Direct drafting of Legal Text (non-dependent changes)
6	May 2020	Review and publish of Draft Consultation on detailed Areas developed	Finalised Consultation Document
7	June 2020	Review Drafting Legal Text (non-dependent changes)	Review comments for Code Bodies
8	July 2020	Review Drafting Legal Text (non-dependent changes)	Review comments for Code Bodies
9	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	September 2020	Review Draft Legal Text	Review comments for Code Bodies
11	October 2020	Review Draft Legal Text	Review comments for Code Bodies
12	November 2020	Review Legal Text	Review comments for Code Bodies
13	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

MARKET-WIDE HALF HOURLY SETTLEMENT

Meeting Number	Meeting date	Area of Consideration	Internal Outputs
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.

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. Further meetings will be arranged if required.

DEVELOPMENT CONSULTATION

Consultation on the design detail development options identified by the CCDG will be held between **June and July 2020**. The CCDG will be convened to discuss the consultation responses and agree any changes required to the detailed design. Ofgem will then direct the development of the associated Legal Text for Code changes.

CCDG CODE CHANGE IDENTIFICATION AND DEVELOPMENT

ELEXON will meet with 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. A 'Code Change Matrix' in a common format will be provided by each Code representative.

The CCDG will review the matrices as provided by each Code Representative.

CODE CHANGE DRAFTING

We expect Ofgem to direct and review, and set timescales for Code drafting to be developed by respective Codes. Drafting of Code changes that are not dependent on design development detail will be directed first. Dependent Code Change drafting to occur following agreement of changes from the **June** consultation.

INTERACTION WITH OTHER WORK STREAMS

The CCDG will provide updates to the other work streams (AWG and PAF) as detailed changes are developed. Likewise, technical representatives from the other work streams will provide updates to the CCDG as appropriate.

MARKET-WIDE HALF HOURLY SETTLEMENT

REPORTING REQUIREMENTS

High-level reporting requirements are as follows:

- CCDG meeting headline reports will be published within 10 Working Days of each meeting; and
- The Ofgem-led Design Advisory Board (DAB) and TOM Board will also require progress updates from the CCDG (via ELEXON) such that they can manage interaction with the other Ofgem work on the Full Business Case for Settlement Reform.

EXTERNAL DELIVERABLES

No.	Deliverable	Description	Date
1.	CCDG Work Plan	A detailed Work Plan and Gantt chart for progression of the CCDG	January 2020
2.	Code Change Matrices Template (provided)	A matrix of changes required for each Code impacted by the MHHS TOM design	January 2020
3.	Consultation on developed TOM design areas	4 week consultation on areas developed by the CCDG	June – July 2020
4.	Draft Legal Text (non-dependent)	Draft legal text, for non-dependent changes, for each Industry Code and CSD impacted by the TOM.	September 2020
5.	Draft Legal Text	Consultation on all draft legal text	February 2021
6.	Report to Ofgem	Final Report to Ofgem	May 2021