

HEADLINE REPORT

MEETING NAME	Code Change & Development Group – Market-wide Half Hourly Settlement SCR
Meeting number	03
Date of meeting	18 February 2020
Purpose of paper	Information
Classification	Public
Synopsis	Summary of the third CCDG meeting and actions.

1. Introduction, apologies and meeting objectives

1.1 The Chairman set out the meeting objectives, which were to:

- Discuss the refined straw men for the following outstanding areas of the Target Operating Model (TOM) design, which have been updated since CCDG02 to reflect further discussions with volunteer CCDG members:
 - Measurement Classes / Consumption Component Classes
 - Industry Standing Data
 - Registration and Data Services interactions (data items, appointments and confirmations)
- Discuss ELEXON's initial straw men for the following TOM design areas and confirm which CCDG members will work with ELEXON to refine these further for CCDG04:
 - Exception reporting for TOM services (carried over from CCDG02 due to time constraints)
 - Grid Supply Point (GSP) Group Correction Factors and Scaling Weights (including Export Settlement).

1.2 The Chairman advised that Aaron Dickinson has resigned from the CCDG following a change of employer. Ofgem confirmed that it is seeking a replacement member.

2. Updates from other work streams

Significant Code Review (SCR)

2.1 Ofgem confirmed that it is working to publish its draft impact assessment soon.

Other code bodies

2.2 Ofgem advised that its next meeting with ELEXON and other code bodies will be on 28 February 2020, to review the draft Code Change Matrices. The matrices have been completed for all impacted Industry Codes apart from the Connection and Use of System Code (CUSC), which needs to confirm the baseline for the Targeted Charging Review (TCR).

2.3 In response to CCDG members' questions about TCR interactions, Ofgem advised that the intention is that network charging will no longer use Half Hourly (HH) / Non Half Hourly (NHH) as a proxy for non-domestic / domestic.

Architecture Working Group (AWG)

2.4 The AWG held its second meeting on 21 January 2020, at which it continued to develop its work plan and architecture principles. More information is available in the [AWG Meeting 02 Headline Report](#). It will next meet on 25 February 2020 when it will begin to discuss interfaces.

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- 2.5 As an update to Action 02/05, ELEXON confirmed that the CCDG's work has no dependencies on the AWG's discussions or outputs. However, the AWG will have dependencies on the CCDG's work as it will need to understand what data items are passing across the interfaces between the different TOM services. The CCDG noted that it is not due to conclude its own discussions on the detailed TOM design until April 2020. It therefore asked ELEXON for more clarity on what level of detail/certainty the AWG needs from the CCDG and when.

3. Discuss refined straw men for detailed design areas

Measurement Classes / Consumption Component Classes

- 3.1 ELEXON reminded the CCDG that, at CCDG02, it agreed that Measurement Classes are no longer required under the TOM.
- 3.2 ELEXON advised that it is still working on the Consumption Component Classes straw man with the volunteer CCDG members. However, ELEXON highlighted areas of discussion where a view from the whole CCDG would be helpful.
- 3.3 The CCDG agreed with ELEXON's suggestion that CCCs should only be used for Settlement (imbalance settlement and volume allocation). It agreed with ELEXON that any other reporting requirements for performance monitoring and/or network charging should be split out separately into other sets of categories, e.g. 'consumption reporting classes', with new data items. This will enable reporting to different timescales, rather than being constrained by the Settlement Run timetable as currently.
- 3.4 The CCDG noted examples of wider industry arrangements that use CCCs (for example, Feed-in Tariff / Renewable Obligation Certificates mutualisation and the third phase of the Energy Company Obligation). ELEXON agreed that there will be many instances where consequential changes are needed to other industry arrangements as a result of changes to Settlement processes, data items or run timings under the TOM. ELEXON noted that, as they are required changes, these potential wider impacts should be highlighted in the CCDG's consultations and reports rather than logged in the group's spreadsheet of other changes (see item 7 below).
- 3.5 CCDG members expressed different opinions on whether it was better to make CCCs as future-proof as possible by including all identifiers that could be useful, or if the aim should be to have the smallest number of groupings that are absolutely essential for Settlement. After discussion, it agreed that:
- Including the Segment ID (Unmetered / Smart & Non-Smart / Advanced) in CCCs is essential for Settlement
 - There is no Settlement need to split CCCs by domestic / non-domestic, and that this indicator should be removed
 - Whole Current (WC) / Current Transformer (CT) identifiers should be included within CCCs for the time being, in order to differentiate higher-consumption and lower-consumption sites – this gives a capability to apply different GSP Group Correction Factor Scaling Weights
 - Splitting CCCs by Active Export / Active Import is essential for Settlement
 - The Estimated / Actual identifiers within the CCCs table should have one ID for Actuals and three IDs for Estimates, with the exact Estimate ID definitions to reflect the following broad tiers:
 - Estimates based on actual data
 - Estimates based on estimates
 - Estimates based on default data
 - The Estimate IDs need to be consistent with the TOM requirements and not the existing provisions in the BSC Procedures (BSCPs)

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- Maintaining separate CCCs for Consumption and Losses is essential for GSP Group Correction
- Both Consumption and Losses should be further split into the same Estimate tiers/categories, as this would enable Suppliers to work out the total consumption and estimates for a group of Meters.

3.6 ELEXON agreed to update the CCCs table with the above changes and its proposed Estimate categories/definitions. It agreed to circulate the updated table to the following CCDG members for further discussion before bringing it back to CCDG04:

- Dom Bradbury
- James Murphy
- Steven Bradford
- Tom Chevalier.

Action 03/01

3.7 ELEXON also agreed to consider whether the Actual/Estimate IDs should be at daily granularity (as currently implied in the TOM requirements) or Settlement Period level, and bring thoughts on the pros and cons of each approach to CCDG04.

Action 03/02

Industry Standing Data

- 3.8 ELEXON advised that it is still working on the Industry Standing Data straw man with the volunteer CCDG members. However, as with the previous straw man, ELEXON highlighted areas of discussion where a view from the whole CCDG would be helpful.
- 3.9 The CCDG agreed that existing Market Domain Data (MDD) items will be required until the end of the transition from the existing Settlement arrangements to the TOM. It agreed that Industry Standing Data is therefore best described as a broader set of data that includes MDD. ELEXON noted that the question of who owns the specific data items within this 'umbrella' set is still up for discussion.
- 3.10 The CCDG agreed to revisit, at CCDG04, the appropriate ongoing governance arrangements for any data items that are no longer required for Settlement but which may be used for other purposes (e.g. billing).
- 3.11 ELEXON suggested that the least-impact approach to splitting the Line Loss Factor (LLF) and LLF Class (LLFC) data items would be to move to new LLFCs, leaving legacy LLFCs intact for Distribution Network Use of System (DUoS) billing purposes but renamed accordingly. The 'new' LLFCs would then be a new Settlement data item linked to the LLF. ELEXON suggested that this would form part of the registration data requirements but would be mastered under the BSC. CCDG members noted that an alternative approach could be that Distributors instead create a new data item for DUoS billing. ELEXON noted the need to consider this further.
- 3.12 CCDG members suggested that 'Day Type' could be reviewed at the end of transition to see if it is still required, along with any other data items that could have a future usage.
- 3.13 The CCDG agreed that the GSP Group Average Estimated Annual Consumption (EAC) is no longer needed and that a variant of the Default Period Profile Class Coefficient can be used instead.
- 3.14 The CCDG agreed that no changes are required to the configuration/registration rules for Supplier BM Units.
- 3.15 ELEXON agreed to update the Industry Standing Data straw man with the CCDG's discussions and decisions so far. It agreed to circulate the updated straw man to the following CCDG members before bringing it back to CCDG04:
- Dom Bradbury

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- James Murphy
- Steven Bradford
- Tom Chevalier.

Action 03/03

Registration – Data items, appointments and confirmations

- 3.16 The CCDG reviewed the work that ELEXON and volunteer CCDG members have undertaken on the Registration straw man since CCDG02. ELEXON noted that this work is still ongoing but sought the CCDG's view on some specific areas of the discussion.
- 3.17 ELEXON proposed to redo the straw man based on an existing connection that undergoes a Change of Supplier (CoS), rather than a new connection. This is because new connections will not have interactions with old agents/services and raise other questions that are not directly related to the straw man. ELEXON advised that it will find a different place within the TOM requirements to capture these other considerations.
- 3.18 ELEXON noted that it also needs to draw out rejections more within the straw man.
- 3.19 The CCDG agreed that there is no Settlement need to record customers' opt-out status centrally as a stored parameter. It agreed that Settlement will simply process the data it receives, noting that the data itself will record how it was derived. It noted that, while the governance of the opt-out process is still being decided by Ofgem, this will be outside the BSC.
- 3.20 Ofgem advised that the Data and Communications Company (DCC) has proposed, in its response to Ofgem's Request for Information (RfI), that the retailer should schedule reads and push data to the Smart Data Service (SDS). The CCDG confirmed that it was unaware of this proposal and questioned whether it was consistent with the TOM. Ofgem clarified that the intention is that only one type of entity should be responsible for scheduling reads, in order to avoid overloading the DCC's network through multiple parties pulling data. Ofgem noted that there is an outstanding question over who is the most appropriate entity to do this scheduling. The CCDG agreed that this should be the Meter Data Retrieval Service (MDR) as proposed in the Design Working Group's (DWG's) TOM requirements. ELEXON noted that the DWG's report highlighted that this will require a new or amended DCC User Role.
- 3.21 As an update to Action 02/07, ELEXON advised that GSP Group is already held in the Supplier Meter Registration Service (SMRS). ELEXON shared its understanding that the Switching Programme will also implement the following new registration data items:
- Domestic Premises Indicator – ELEXON understands that this will be derived initially from a combination of Profile Class and Measurement Class, but will then be maintained and sent to the SMRS by the Central Switching Service (CSS) as an independent data item in its own right
 - Metered Indicator and Energy Flow – ELEXON understands that these will be derived initially from Measurement Class and LLFC respectively, and will then be maintained by SMRS, but is unclear whether they will be stored in SMRS and if they will be mastered as independent data items after their initial population.
- 3.22 A CCDG member advised that, after the initial population and data cleanse exercises, they believe all of the above registration data items will eventually be decoupled from existing Settlement data items and maintained independently for new connections. They also believed that the values of some of these data items, e.g. Metered Indicator, are designed not to be amended once set.
- 3.23 ELEXON commented that setting Energy Flow from the LLFC seems counter-intuitive, since the Distributor needs to know whether the flow is Import or Export before it can assign the LLFC.

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- 3.24 ELEXON agreed to speak to St Clements to confirm the exact intention for the new registration data items. This includes confirming whether the enduring SMRS governance for these data items will be in place by the start of migration or, if not, by the end of the TOM transition (as this is the point that legacy Settlement data items may be retired).
- 3.25 ELEXON agreed to update the Registration straw man based on the above discussions. It agreed to circulate this to the following CCDG members before bringing it back to CCDG04:
- James Murphy
 - Lorna Mallon
 - Paul Saker
 - Steven Bradford
 - Tom Chevalier.

Action 03/04

- 3.26 CCDG members reiterated the need to understand what information the AWG requires on registration data items.

4. Discuss initial straw men for detailed design areas

Exception reporting for TOM services

- 4.1 ELEXON [presented](#) its initial straw man along with some questions for the CCDG.
- 4.2 The CCDG discussed the different types of exception reporting that could be required. ELEXON suggested that there are three categories of exception reporting that the BSC Central Settlement Services could send to the relevant Data Service (Smart Data Services, Advanced Data Service or Unmetered Supplies Data Service):
- Exception reporting on initial data ingestion (examples could be receiving duplicate data from a valid source, invalid format, corrupt data and/or future-dated data)
 - Exception reporting after data ingestion but before the Settlement Run (e.g. pre-run checks to identify missing data and notify the appropriate TOM service)
 - Exception reporting at the Settlement Run (e.g. where data is still missing).
- 4.3 ELEXON proposed to focus on these categories of exception reporting in the first instance because:
- The AWG will need to know what data items the BSC Central Settlement Services may send to the Data Service along with the corresponding trigger events
 - These are the exception reporting capabilities that will need to be specified and built centrally
 - They represent the last-resort central protection for Settlement.
- 4.4 ELEXON agreed to work with the following CCDG members offline, to flesh out the data items for the above three categories before bringing them back to CCDG04:
- James Murphy
 - Paul Saker
 - Steven Bradford
 - Terry Carr.

Action 03/05

- 4.5 ELEXON proposed that the Supplier only needs to see exceptions at an aggregate level (i.e. total numbers of each type of exception) while the Data Service needs the detail.

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- 4.6 The CCDG discussed whether the Data Service should be proactively checking that it has sent all necessary data, rather than waiting for an exception report to tell it what data is missing. Members expressed different views on whether the Data Service only has to send consumption if it always has the latest view of Industry Standing Data, and whether other validation checks can therefore be pushed upstream to earlier on in the process.
- 4.7 ELEXON acknowledged that there are lots of parts to validation and exception reporting. It also noted that if different reports are needed for Suppliers, this will need separate consideration. Some CCDG members considered that, as long as the data can be queried by participants (e.g. at a market-wide level) then anyone can build their own exception reporting if required for other purposes.

GSP Correction Factors and Scaling Weights (including Export Settlement)

- 4.8 ELEXON [presented](#) two different options for the GSP Group Correction Factor calculation. It noted that both options would address the existing 'competing corrections' issue, which was considered under [Issue 55](#) and currently prevents correction from being applied to Export volumes.
- 4.9 The CCDG agreed with ELEXON that, since both options achieve the same outcome, Option 1 is preferable on the basis that its calculation is simpler and easier to understand. This option calculates separate GSP Group Correction Factors for Import and Export, by splitting the total correctable volume of unallocated demand in proportion to the total weighted volumes of Import and Export in the particular Settlement Period. The CCDG noted that setting the Scaling Weights for each CCC will then determine the relative proportions of error allocated to specific CCCs within that overall Import/Export split. It noted that the calculation therefore works with any Scaling Weight values.
- 4.10 ELEXON advised that Settlement will need to run both old and new Scaling Weights / CCCs during transition to the TOM, and that the proposed calculation works with either.
- 4.11 ELEXON highlighted that, once the CCDG has agreed the appropriate CCCs for the TOM, it will need to assign a Scaling Weight to each of these CCCs. It noted that Scaling Weights are currently set by calculating the relative levels of error in each CCC; however these will not initially be known for the new TOM CCCs.
- 4.12 ELEXON agreed to work up some suggested error ratings against each CCC that could subsequently be turned into initial GSP Group Correction Factor Scaling Weight values. It agreed to circulate its suggested ratings to the following CCDG members for further discussion before bringing them back to CCDG04:
- Derek Weaving
 - Dom Bradbury
 - James Murphy
 - Paul Saker
 - Tom Chevalier.

Action 03/06

- 4.13 The CCDG also discussed whether to progress Time of Use (ToU) Scaling Weights. It noted that the DWG had debated this idea and had suggested that it should be considered further. However, the DWG had not reached consensus on whether it should be introduced as part of the TOM.
- 4.14 ELEXON explained that, because Ofgem's policy decision is that domestic customers can opt out of sharing their HH Meter data for Settlement, there is a risk that Suppliers could encourage customers with 'peaky' load to opt out of MHHS in order to benefit from the load shapes applied to opted-out customers. ELEXON had originally proposed addressing this through ToU Scaling Weights. However, on further reflection, ELEXON does not recommend progressing the idea at this time. This is because it adds complexity, goes against the drive to simplify Settlement and is designed to mitigate a potential risk that may not occur in practice.

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- 4.15 The CCDG did not identify any other benefits of ToU Scaling Weights and was, on balance, unconvinced that any potential financial benefit of gaming would outweigh the reputational risk to Suppliers if this came to light. Members also considered that any potential abuse of the opt-out arrangements is better governed and addressed outside of the BSC. However, the CCDG agreed that this does not rule out implementing ToU Scaling Weights at a future point if it becomes necessary. It noted that Ofgem already plans to review the effects of the opt-out arrangements at a future point, including the number of customers who have opted out, and that Ofgem intends to set a date for this review as part of its Full Business Case decision on MHHS.

5. Confirm volunteers to work up areas further

- 5.1 The CCDG reconfirmed the members who will work offline with ELEXON on each straw man.
- 5.2 ELEXON asked members to send all correspondence to CCDGSecretary@elexon.co.uk and not just to the relevant ELEXON technical lead, to ensure that all comments can be addressed in the event of their absence.
- 5.3 ELEXON agreed to contact the relevant CCDG members for each straw man immediately after the CCDG meeting, to agree ways of working as well as dates for offline discussions.

6. Implications of creating an Economy 7 load shape category or flag

- 6.1 ELEXON [presented](#) the practical implications and complexities of introducing an Economy 7 (E7) load shape. It noted that this is not needed for Settlement. However, some Suppliers have indicated that it would no longer be commercially viable for them to continue offering E7 tariffs to customers who are settled using domestic load shapes (which will be based on average domestic HH advances) – resulting in these customers paying more for their energy.
- 6.2 The CCDG agreed that it is appropriate that customers are incentivised to have smart Meters, and to share their HH data for Settlement, in order to benefit from ToU tariffs. An issue therefore only potentially arises for E7 customers who are unable to have a smart Meter. ELEXON suggested that there may be other ways of addressing this without requiring new registration data, for example:
- Leaving the migration of these Meters until the end of the TOM transition, when the smart roll-out will be further along
 - Extending the Settlement run-off arrangements for these Meters (with legacy E7 Settlement data items, e.g. Standard Settlement Configurations).
- 6.3 ELEXON and CCDG members agreed to consider other potential solutions further. The CCDG agreed to revisit the discussion at CCDG04, when it will consider the straw man for Settlement run-off arrangements.

Action 03/07

7. CCDG02 Headline Report and actions

- 7.1 ELEXON confirmed that it has published the [CCDG02 Headline Report](#), having received no further comments.
- 7.2 Under Action 02/02, ELEXON noted that it has started a log of other potential industry changes that CCDG members believe could be beneficial for MHHS but that are not directly required in order to implement the TOM. ELEXON sought views on whether 'nice to haves' was the best name for the log's content and the CCDG agreed to refer to these suggested changes as 'potential enhancements' instead.
- 7.3 ELEXON confirmed that all other actions have been completed apart from:
- 01/02, which remains ongoing as discussed at CCDG02
 - 02/01, which ELEXON intends to bring to CCDG04
 - 02/05, which is ongoing (see update under item 2 above)
 - 02/07, which is ongoing (see update under item 3 above).

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8. Summary and next steps

- 8.1 The Chairman confirmed that ELEXON will bring updated working documents to CCDG04, capturing the outputs of the further working on the straw men discussed at CCDG03.
- 8.2 At CCDG04, ELEXON will also present its remaining initial straw man on Settlement run-off arrangements. ELEXON advised that it will be discussing this straw man with the Software Technical Advisory Group (STAG) on 20 February 2020.
- 8.3 The next CCDG meeting will be on 17 March 2020 at ELEXON.

ACTIONS

Actions on ELEXON:

- 02/01 – ELEXON to bring a list of BSC drafting questions to a future CCDG for discussion (e.g. Metering System definitions, SSTPGPL) – Open – ELEXON intends to bring this to CCDG04.
- 02/02 – ELEXON to create a log to record any consequential industry changes that would be beneficial for MHHS but are not directly required in order to implement the TOM – Closed – Log circulated with the CCDG03 papers.
- 02/04 – ELEXON to document the CCDG's proposed new CCC table, add a MoSCoW categorisation as an additional column and circulate it before CCDG03 for discussion at that meeting – Closed – Output circulated as part of the CCDG03 meeting papers.
- 02/05 – ELEXON to clarify what data item outputs the AWG needs from the CCDG and when – Open – See update under item 2. ELEXON to provide more clarity on what level of detail/certainty the AWG needs from the CCDG and when.
- 02/06 – ELEXON to update its draft Industry Standing Data table with the CCDG's comments and send to the agreed list of volunteer CCDG members for further comment before bringing it back to CCDG03. ELEXON to contact Steven Bradford to confirm the scope of his input – Closed – Output circulated as part of the CCDG03 meeting papers.
- 02/07 – ELEXON to check with St Clements whether any of the following data items are already held in SMRS: GSP Group, AI/AE indicator and domestic/non-domestic indicator – Open – See update under item 3. ELEXON to speak to St Clements to clarify further.
- 02/08 – ELEXON to consider the BSC implications of creating a load shape category or flag for Economy 7 and bring its thoughts to a future CCDG – Closed – See item 6 and further action 03/07.
- 02/09 – ELEXON to work with the agreed list of volunteer CCDG members to flesh out the different approaches to TOM service provider appointments and rejections, before bringing the outputs back to CCDG03. ELEXON to contact Lorna Mallon and Steven Bradford to confirm the scope of their input – Closed – Output circulated as part of the CCDG03 meeting papers.
- 03/01 – ELEXON to update the CCCs table with the changes agreed at CCDG03, circulate to the relevant CCDG members for further discussion and bring the outputs to CCDG04 – Open.
- 03/02 – ELEXON to consider whether the CCC Actual/Estimate IDs should be at daily granularity (as currently implied in the TOM requirements) or Settlement Period level, and bring thoughts on the pros and cons of each approach to CCDG04 – Open.
- 03/03 – ELEXON to update the Industry Standing Data straw man with the discussions and decisions at CCDG03, circulate to the relevant CCDG members for further discussion and bring the outputs to CCDG04 – Open.
- 03/04 – ELEXON to update the Registration straw man based on the discussions at CCDG03, circulate to the relevant CCDG members for further discussion and bring the outputs to CCDG04 – Open.

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03/05 – ELEXON to work with the relevant CCDG members to flesh out the data items for the three categories of exception reporting discussed at CCDG03, and bring the outputs to CCDG04 – Open.

03/06 – ELEXON to work up some suggested error ratings against each CCC that could subsequently be turned into initial GSP Group Correction Factor Scaling Weight values, circulate these to the relevant CCDG members for further discussion and bring the outputs to CCDG04 – Open.

03/07 – ELEXON and CCDG members to consider other potential ways of addressing the E7 tariff concern (e.g. by extending the Settlement run-off arrangements or other means) and revisit this at CCDG04 – Open.

Actions on other members:

01/02 – Ofgem to clarify whether the legal text for MHHS should be drafted against the current Industry Codes baseline or new consolidated REC baseline – Open – Update provided at CCDG02. Ofgem is still considering this, and a representative from Ofgem’s REC team will be attending future Code bodies meetings.