

# HEADLINE REPORT

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**MEETING NAME** Design Working Group (DWG) – Market-wide Half Hourly Settlement SCR

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**Meeting number** 15

**Date of meeting** 13 February 2019

**Purpose of paper** Information

**Classification** Public

**Synopsis** Summary of the fifteenth DWG meeting and actions arising.

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## 1. Introduction and Meeting Objectives

1.1 ELEXON introduced the fifteenth DWG meeting and set out the meeting objectives. These were to:

- Agree the questions for the upcoming consultation; and
- Start the discussion on the Transitional approach.

1.2 ELEXON also welcomed the representatives from the Department for Business, Energy and Industrial Strategy and the Data and Communications Company (DCC) who had attended to provide updates under two of the agenda items.

## 2. BEIS Smart Export Guarantee

2.1 BEIS provided an update on the Smart Export Guarantee where they outlined their objectives and how these were to be facilitated.

2.2 BEIS mentioned a stakeholder event on Friday 15 February. The Smart Export Guarantee consultation is open until 5 March.

2.3 This consultation is about high-level policy, setting out only the proposed minimum requirements that are needed at the moment to ensure that small-scale generators are compensated by the market for the value of their exported electricity.

2.4 Members of the DWG were made aware of BEIS' consultation on the SEG and invited to respond with the comments that had been made during the meeting.

## 3. Ofgem SCR Update

3.1 Ofgem updated the DWG on the latest progress of the Settlement Reform SCR. Ofgem thanked the DWG for their work so far and for delivering the preferred TOM on time. Ofgem are still working on its final policy decisions on access to data and agent functions and until these have been finalised would like the DWG to continue to work to the policy steers provided in November 2018.

## 4. DCC presentation on DCC Capacity Considerations

4.1 The DCC representative noted that the DCC was designed based on Suppliers reading the meters in sufficient volumes to support normal billing requirements. Telefonica can cope with our forecast demand but Arqiva's dedicated network could run into difficulties with capacity.

4.2 The DCC representative took an action to check whether LDSOs have already agreed interest in obtaining HH data and if this has been factored into their capacity assumptions.

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- 4.3 On the issue of DCC adoption of SMETS1 meters, the DCC representative confirmed that SMETS1 will use existing Supplier head end communications e.g. O2/Vodafone.

## 5. MHHS Stakeholder event update

- 5.1 ELEXON presented an update on the MHHS stakeholder event held on the 6 February 2019. ELEXON advised the DWG that the event went well and that no significant comments were received on the preferred Target Operating Model (TOM) for Market-wide Half-Hourly Settlement (MHHS).
- 5.2 A DWG member that attended the event noted that attendees he talked to did not believe the proposed changes to the market model were significant.

## 6. Consultation Questions

- 6.1 The consultation questions were reviewed and minor edits made, including the addition of one question.
- 6.2 ELEXON agreed to update the consultation questions with the DWG's comments and publish the consultation.

**Action 15/02**

- 6.3 The agreed version for publication can be found on the Consultations page on ELEXON's website [here](#).

## 7. Transitional Approach

- 7.1 ELEXON presented its initial thinking on the transitional approach. The DWG agreed to the ELEXON proposed common understanding of terminology to be used in the development of the approach:
- **Transition** - the end to end process of getting from the current state to the Target End State for the TOM;
  - **Implementation** - Code Changes, System Changes, Settlement timetable and qualification; and
  - **Migration** – Moving Metering Systems from current Market Roles to TOM Services.
- 7.2 The DWG agreed with a number of potential 'quick wins' for transition. These were:
- Unmetered Supplies Operator (UMSO) Role to UMSO Service – Data cleanse and ability to prepare Summary Inventories for smaller customers;
  - Meter Administrator to Unmetered Supplies Data Service (UMSDS) – ability to cope with increased volume of data; and
  - Half-Hourly Data Collector (HHDC) to Advanced Retrieval and Processing Service (ARP) – new requirements for estimation flagging.
- 7.3 The DWG did not believe that moving Current Transformer (CT) metered customers in Profile Classes 3 and 4 to the ARP would be a quick win. There was also discussion on CT metered customers in Profile Classes 1 and 2 and whether these would need to be included (no agreement was reached at this time).
- 7.4 The DWG did not consider that changes to transition from NHH and HH Meter Operator to the smart and Advanced, Metering Services were quick wins. Changes to communications (data flows) were identified as key issues.
- 7.5 The DWG discussed changes required for Registrations Services and the issue of appointments. ELEXON indicated that the minimum requirements will need to be agreed at the next meeting since these were design questions.

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- 7.6 ELEXON agreed to set out the pros and cons of different options for Registration, Appointments and Qualification, and bring these to DWG16.

**Action 15/03**

### 8. Summary and Next Steps

- 8.1 The next DWG meeting will be on Tuesday 26 March 2019 to discuss the consultation responses and to start Transition pre-planning.

## ACTIONS UPDATE

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### Actions on ELEXON:

11/03 – ELEXON to establish the baseline of DCC read capability – Open – ELEXON and Ofgem met with the DCC on 25 September and 15 November 2018. ELEXON is seeking clarity from the DCC on the assumptions behind its existing capacity. See item 4 above.

12/01 – ELEXON to establish with Ofgem who the relevant policy makers are regarding the security implications of a single HH data hub, arrange the necessary discussions and consider speaking to the Information Commissioner and the SEC's Security Sub-committee to establish the right contacts – Open – ELEXON is organising a meeting with Ofgem to discuss further.

14/01 – ELEXON to update the draft TOM report with the comments from DWG14 and send the final report to Ofgem by the end of January 2019 – Closed – ELEXON sent the final report to Ofgem on 30 January 2019.

15/01 – DCC to check whether LDSOs have already agreed interest in obtaining HH data and if this has been factored into capacity assumptions – Open. See item 4 above.

15/02 – ELEXON to update the consultation questions with the comments from DWG15 and publish the consultation – Open. See item 6 above.

15/03 – ELEXON to set out the pros and cons of different options for Registration, Appointments and Qualification, and bring these to DWG16 – Open. See item 7 above.

### Actions on other members:

11/02 – Ofgem and ELEXON to discuss what further guidance the RFI may need to include on architecture and service provision – Open – ELEXON and Ofgem met on 11 October 2018 and ELEXON is organising another meeting to discuss further.