

Kathryn Coffin
Design Working Group (DWG) Chairman
ELEXON Ltd
350 Euston Road
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Sent by email

17 May 2019

Dear Kathryn,

I am writing to you on behalf of the Performance Assurance Board to provide an update on recent discussions at the PAB on the DWG and the transition to the Target Operating Model (TOM) for Market-wide Half Hourly Settlement (MHHS).

At its April meeting, the PAB discussed the three questions that the DWG had posed to it; specifically:

- What high-level assurance framework/principles will be needed to support MHHS?
- What elements of the PAF are no longer required, need to change, or need to be introduced under the TOM?
- What DF Run cut-off and Disputes materiality threshold (or principles to determine the threshold) are appropriate for MHHS?

I've attached a copy of PAB Paper 219/05 which formed the basis of the PAB's discussions, and sets out the PAB's agreed responses to the questions raised by the DWG.

The PAB would welcome further updates as the DWG's work progresses.

Yours sincerely,



Douglas Alexander
PAB Chairman

List of enclosures

PAB Paper 219/05