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334/01 Elexon Report

For the Panel's information, summarising recent activities and developments within Elexon and the Balancing and Settlement arrangements.

12 January 2023

Elexon Kinnect: Migration and reconciliation of Settlement solution data proceeding well, focus now on service transition

Settlement Solution

Data migration and reconciliation have progressed well on the Settlement Solution and are on track to complete by the end of January. Attention is now moving to service transition and business readiness in order to complete go-live by April 2023 or earlier.

The Funds Administration Agent services continue in their discovery phase to determine the calculation and finance system requirements. The review of BSC Section N Clearing, Invoicing and Payment has started and will determine the scope for a potential BSC Modification to gain efficiency and reflect modern banking practices.

Insights Solution

As previously advised, Iteration 3 of 5 of the Insights Solution was completed on 21 November. We are carrying out user research for the next iteration (4) which will include development of the REMIT portal. Development of Iteration 4 will start in first week of January 2023 with a plan for completion by end June 2023.

Customer Solution

Modifications P376 and P419 are progressing well in integration testing (completed mid-December) and are moving into Operational & User Acceptance testing.

Analysis and design work on P395 has started and is being integrated with CR17463. This will align the schema with an enterprise view of contacts and addresses. It will also be an enabler for other projects (e.g. CRM). Additionally, a number of enhancements and fixes of deferred defects relating to P375, account management and the central switching service, have been successfully tested and deployed into production.

Migration

A successful proof of concept for migration of remaining on-premises agents to cloud infrastructure has been conducted. This has involved an instance of the ECVAA agent being migrated to a cloud environment and functional tests being run to demonstrate the application's ability to communicate with on-premises and Azure Cloud modules. As a result, a full migration plan for all remaining on-premises agents to move to cloud has now been prepared.

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Elexon Kinnect: Budget update

Overall, the Kinnect Programme remains on budget with £31.9m of investment in progress, of which £30.2 m has been spent to date. The remaining £16.0m is forecast for future work to conclude migration of the legacy systems to the digital platform in 2023/24 and we have £6.0m remaining contingency.

These figures are also shown in the table below:

CTD (£m)	Committed	FTC	Contingency	Forecast Outturn	Budget	Variance
30.2	1.7	16.0	6.0	53.9	53.9	0

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Key KPIs: November 2022

KPI	Target	Status
Performance against budget	Percentage (Under)/Over Spend Full Year Forecast vs. Budget complete >(5)%	1.27% - ON TARGET
Core system availability (BSC Agent Services)	99.50%	99.71% - ON TARGET 3 BMRA failures caused by capacity issues relating to increased file volume from NG. All other core systems met their SLA targets.
Service Desk performance against SLAs	99.99%	100% - ON TARGET
Settlement Accuracy (total change in Trading Charges across all run types as a percentage of total trading charges)	<5%	4.0% - ON TARGET
Modifications: number of Ofgem send backs	<=2 in a rolling 12 month period	2 – ON TARGET
Code Admin: % of Panel and Committee papers delivered on time	90%	92.7% - ON TARGET

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Recommendation

We invite the Panel to:

- **NOTE** the contents of this paper.

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