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338/01 Elexon Report

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

11 May 2023

Elexon Kinnect: Migration and reconciliation of Settlement solution data complete with good progress on Production testing and service transition preparation

Settlement Solution
The project has entered a Full Service Production parallel run to test out all facets of service in order to complete Go-Live, which is scheduled for 10 May.

Funds Administration Agent
The Funds Administration Agent service has completed its discovery phase to determine the calculation and finance system requirements in order to begin full mobilisation of a replacement project. Delivery Partner selection begins in May 2023. The review of BSC Section N Clearing, Invoicing and Payment has started and will determine the scope for a potential BSC Modification to improve efficiency and reflect modern banking practices.

Insights Solution
Development of Iteration 4 of 5 of the Insights solution to replace BMRS started in January 2023 with a plan for completion by end June 2023. This will include development of the REMIT portal. Full completion of the Insights Solution is expected by the end of December 2023 with cutover to Production in January 2024 and decommissioning of legacy BMRS functionality in Q1 2024.

Customer Solution
Modifications P376 and P419 were successfully cutover to Production in February 2023. Delivery of P395 is ongoing and on track for delivery in November. Additional functionality will be built into the Customer Solution to allow the CRA system to be decommissioned without reduction of functionality across the estate as part of the Oracle Migration project. Design and requirements capture for this work has begun now that P376 and P419 are complete.

Migration of Legacy Agents to Oracle Cloud Infrastructure
Planning for the migration of all On-Premise hosted enduring legacy Agents to Oracle Cloud Infrastructure has been drawn up. Initial shaping, development of environment, and application build scripting will be completed by May 2023 with a full migration project targeting completion in mid-2024 to be mobilised.

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Elexon Kinnect: Budget update

Overall, the Kinnect Programme remains on budget with £38.1m of investment in progress, of which £35.8 m has been spent to date. The remaining £9.8m 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
35.8	2.3	9.8	6.0	53.9	53.9	0

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Elexon Helix: Current project status

Development continues to make good progress.

The Helix team continues to work with several constraints that are impacting certainty of the forward plan:

- The transition design has partially been issued by the MHHS Programme, which means that the Helix team is still prioritising development work based on the information available, to minimise the assumptions being made. Helix is currently reviewing the initial tranche of the transition design. As this moves to the right the date for end of design build and test becomes more of a risk.

- The Helix development is working towards the end of October for completion with a stretch target for the end of September. This date was included in the Round 3 re-plan issued by the MHHS Programme as the end of DBT.

- The Helix team is working with the MHHS Programme to clarify the requirements for the end of DBT and the commencement of CIT. This will allow the Helix to confirm if the dates are achievable.

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Elexon Helix: Budget update

Overall, the Helix Programme remains on budget with £28.4m of investment in progress, of which £23.6m has been spent to date. The remaining £10.3m is forecast for future programme increments to deliver the remainder of the Helix programme. There is also £3.1m and £3.3m held separately for the Performance Assurance impact and programme contingency, respectively.

These figures are also shown in the table below:

CTD (£m)	Committed	FTC	Performance Assurance Contingency	Programme Contingency	Forecast Outturn	Budget	Variance
23.6	4.8	10.3	3.1	3.3	49.5	49.5	0

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Key KPIs: February 2023

KPI	Target	Status
Performance against budget	Percentage (Under)/Over Spend Full Year Forecast vs. Budget complete >(5)%	5% - ON TARGET
Core system availability (BSC Agent Services)	99.50%	99.98% - ON TARGET
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%	3.90% - 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% - ON TARGET

Recommendation

We invite the Panel to:

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

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