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342/01 Elexon Report

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

14 September 2023

Elexon Kinnect

Settlement Solution

The new Settlement system continues to perform within agreed SLAs and the heightened "hyper-care" support in place since cutover to Live on June 15th will scale down to Business As Usual service management approach from 8th September. We will therefore stop providing updates within this Programme update after this month.

Previously reported issues that affect a limited number of customers (file sequence numbers) have been worked through and are the relevant fixes will be released to the Live service in mid-September.

Funds Administration Agent

The FAA project has concluded vendor selection for development of a new calculation system for BSC invoicing. The delivery contract has been awarded to CGI and project mobilisation and ratification of the design are underway.

The project has also selected a finance system to provide invoicing and billing. The contract has been awarded to Unit 4 who will provide a system called Agresso. A full project plan has been provided by Unit 4 and an overall integrated project plan for full completion of the FAA replacement project will be prepared by the end of September with a target end date of July 2024.

An Issue Group continues to run to review BSC Section N Clearing, Invoicing and Payment. The group will determine the scope for a potential BSC Modification to gain efficiency and reflect modern banking practices.

Insights Solution

We continue to work on the 5th (and final) iteration for migrating BMRS data to the Insights Solution. Completion of this iteration is expected in January 2023 including provision of Balancing Market Settlement data from the SAA system to the Insights system. Cutover to production and decommissioning of legacy BMRS functionality are both expected to be complete in March 2024.

We continue to talk to all users of the existing BRMS system and the TIBCO high grade line service to ensure that they are in a position to migrate to using the Insights Platform at the point of cutover to the new system.

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Customer Solution

Delivery of P395 'Aligning BSC Reporting with EMR Regulations – an enduring solution' 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. Decommissioning of CRA is expected to complete in March 2024.

We are hosting a webinar on 21 September to explain the P395 changes and how the new Customer Solution functionality will work. The webinar is aimed at Suppliers, Generators, Half Hourly Data Collectors, or Meter Operator Agents.

Migration of Legacy Agents to Oracle Cloud Infrastructure

Work is progressing on the migration of all on-premises hosted agents to Oracle Cloud Infrastructure. This will provide Elexon with the ability to rapidly create integrated development environments, supported by automated testing. Altogether, this will improve our ability to deliver change.

On conclusion of preparation of an end to end plan on a page for migration, resilience testing and service transition we are aiming to complete migration of generation sector facing agents (including ECVAA and CDCA) in June 2024, and supplier facing systems (including SVAA and PARMS) in September 2024

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Elexon Kinnect: Budget update

Overall, the Kinnect Programme remains on budget with £50.1 m of investment in progress, of which £37.8 m has been spent to date and we have £3.8m remaining contingency.

These figures are also shown in the table below:

CTD (£m)	Committed	FTC	Contingency	Forecast Outturn	Budget	Variance
37.8	12.3		3.8	53.9	53.9	0

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Elexon Helix: Current project status and budget update

The Helix Programme is almost complete with PI7 (June to September 2023) and is continuing to deliver against its set objectives. This includes the delivery of code for Component Integration Testing (CIT) which was delivered at the end of August. At least one further PI will be required to complete the remaining development of the Helix solutions.

The Helix Programme's latest budget was baselined in January 2023 at £49.5m. Since then, the programme has had to deal with the impact of several MHHS design and plan changes. The programme will be requesting additional funding from the Transformation Committee in October 2023. We will update Panel on the outcome of this in next month's digitalisation update. The budget table below reflects the current status of the Programme until the Transformation Committee's funding decision is made next month.

CTD (£m)	Committed	FTC	Performance Assurance Contingency	Programme Contingency	Forecast Outturn	Budget	Variance
30.0	7.2	6.3	3.1	2.9	49.5	49.5	0

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Key KPIs: July 2023

KPI	Target	Status
Performance against budget	Percentage (Under)/Over Spend Full Year Forecast vs. Budget complete >(5)%	0% - ON TARGET
Cumulative Critical System SLA Performance (BSC Agent System)	No more than 3 cumulative SLA failures	1.5 - ON TARGET
Cumulative Core System SLA Performance (BSC Agent System)	No more than 2 cumulative SLA failures	0.25 - ON TARGET
Settlement Accuracy (total change in Trading Charges across all run types as a percentage of total trading charges)	<5%	5.1% - BELOW TARGET Trading charge deltas for SF vs R1 (total) is £12m, impacted by 3 Parties. The reasons for these deltas are being investigated, including engagement with the parties. Additional focus on data accuracy and getting it right first time is having a positive impact on later reconciliation run deltas, with the R2, R3 and RF all continuing to remain below their associated 12-month averages and track downwards
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	90.0%	94% - ON TARGET

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Recommendation

We invite the Panel to:

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

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