

# ELELEXION

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**MHHS – Performance Assurance Working  
Group**

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Meeting 1

03 November 2022

## Agenda

	Agenda Item	Type	Time	Page
1	Introductions		9:30-9:35 (5 mins)	2
2	Terms of Reference- Review and agreement	Agreement	9:35- 9:45 (10 mins)	3
3	Expected scope of working group considerations and priorities	Discussion and agreement	9:45-10:30 (45 mins)	
4	Break	N/A	10:30-10:40 (10 mins)	N/A
5	High level approach to future working group meetings	Discussion and agreement	10:40-10:50 (10 mins)	
6	Topic 1 - Supplier Charges	Discussion	10:50- 11:45 (55 mins)	
7	Next steps (summarise and agree any agenda items for the next meeting)	N/A	11:45-12:00 (15 mins)	N/A

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## Terms of Reference

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### Group Objectives:

- PAWG will initially work to shape the Code and CSD changes required to support the MHHS TOM by June 2023.
- It will then consider the additional changes and preparation required to prepare for MHHS.

### Purpose and Duties:

- The PAWG will provide recommendations on changes and other MHHS preparation to the PAB. The PAB will then consider the group's recommendations when determining its own.
- The PAB's recommendation for Code and CSD change will then either feed into:
  - The Cross-Code Advisory Group (CCAG) for inclusion in the MHHS Authority led Modification; or
  - The recommended scope for a separate Modification(s) to the BSC
- Exceptions to this may be Qualification and migration where boundaries with the work the MHHS programme is undertaken is still unclear

### Decision Making:

- The PAWG is not a decision making group. It will provide recommendations to the PAB. The PAB will then consider these recommendations when determining its own recommendations to CCAG or a recommendation to raise a separate Modification(s) to the BSC.

### Quorum and voting:

- No quorum is set for the PAWG. The breakdown of any votes will be presented to the PAB with the largest vote forming the group's onward recommendations to the PAB. In the event of a tied vote, Elexon will provide the results of the vote to the PAB with the options under consideration but without a clear group recommendation.

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## Key Performance Standards and Supplier Charges

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- Performance Standards in Section S-1 of the BSC and associated Supplier Charges -would need updated in line with the introduction of MHHS and the removal of the old HH/NHH designations

Key priorities for initial Code drafting:

- Considering if Supplier Charges are required for MHHS
- Determining what Performance Standards and Supplier Charges should achieve
- If so, determining whether specific requirements or criteria and a process should be in the Code
- If the group decides specific requirement consider if these should be per segment or overarching and consider if SLAS for agents are required to support these
- Consider how the different types of estimation and customers that are opting out should be managed
- Determine what is required for transition
- Consider equivalence of current performance level with new TOM – ensuring we keep a reasonable level of accuracy at RF

Further considerations after Code drafting is complete:

- If specific charges not agreed in Code drafting initial charges should be agreed here
- Supplier Charges- system requirements, build, testing and implementation
- Participant reporting

Relevant Code sections /CSD: Section S-1 BSCP536 – Supplier Charges

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## Monitoring of requirements and performance reporting

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- The non functional requirements relate to the Data Integration Platform (DIP) which is the key communication mechanism for the MHHS TOM. The enduring governance to the DIP is not yet clear and is being addressed via an Issue (Issue 101).
- Work will be required to scope performance reporting for:
  - Any new performance standards
  - Non functional requirements if under PAB governance
  - Role requirements; and
  - Any additional performance reporting the group considers will enable Elexon and the PAB to better monitor and manage Settlement Risks
- The work to develop the reporting will be undertaken with Elexon's Helix team

### Key priorities for initial Code drafting:

- Considering whether specific reporting requirements should be kept within a Code or CSD or only the high level governance to enable reporting requirements to be developed and data used for Performance Assurance purposes
- Ensure key design SLAs are captured, understood and measurable
- Consider the best way to capture process for PAB developing new types of performance reporting

### Further considerations after Code drafting is complete:

- To agree specific list of Performance Assurance Monitoring and Reporting if not determined above
- Considering frequency and detail of any participant reporting on performance reporting

Relevant Code Sections/CSD: Section Z Performance Assurance and Section V Reporting BSCP533- PARMS Data provision, Reporting and Publication of Peer Comparison Data

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## Qualification

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- We will need to consider Qualification for the transition to MHHS and the enduring Qualification process post Go Live
- Boundaries on Qualification development between Elexon and MHHS Programme still not clear and we have ongoing discussions to establish this

Key priorities for initial Code drafting:

- Understand and agree Qualification entity
- Assess current SAD provisions against SLAs, NFRs and requirements in final design documents to identify gaps. This will need to be re-assessed against draft Code/CSD changes completed by the MHHS and when these documents are finalised to identify any changes required
- Understand requirements, scenarios/scripts for each Programme participant for Qualification Testing
- Determine key Qualification requirements for transition and enduring processes as a result of above and workgroup/industry feedback
- Assess section J and BSCP537 against key Qualification requirements for transition and enduring processes and set out any changes required to the for legal review.
- Begin draft SAD based on known requirements (to be finalised after SCR Mod is approved)- and understand new-old role mappings.
- Transitional Qualification planning (including plans for execution being agreed with the PAB)

Further considerations after Code drafting is complete:

- Completion and publication of SAD
- Any guidance required for participants and consideration of any industry qualification reporting needed through transition and updates to the Qualified Person Workbook

Relevant Code Sections/CSD: Section J Party Agents and Qualification Under the Code and BSCP537- Qualification Process for SVA Parties, SVA Party Agents and CVA MOAs

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## Trading Disputes

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- The Trading Disputes process will need to be adapted in order to adapt to the potential reduction of the Settlement timetable. Elexon has and the Trading Disputes committee had previously considered a 'ratcheted materiality' process should be put in place for MHHS post RF. It also agreed other high level changes to the process required to address the potential volume of disputes with a shorter Settlement Timetable including a self-assessment process and system for Parties raising Disputes.
- The TDC expert group will be re-established to manage and the required Code/CSD changes fed into this group for consistency.

Relevant Code Sections/CSD: Section W Trading Disputes and BSCP11 Trading Disputes

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## Data Cleanse Work

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- Need to establish scope of data cleanse activity required and which Code is responsible for each activity

Key priorities for initial Code drafting:

- Determine if any Code changes are required to support pre-migration Data Cleanse work

Further considerations after Code drafting is complete:

- Setting data cleanse expectations
- Planning the monitoring required
- Undertaking the monitoring required



# BSC Audit

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Key priorities for initial Code drafting:

- Determine if any Code changes are required to support TOM for either Central Systems or SVA Audit

Further considerations after Code drafting is complete:

- Aligning work papers to new BSC requirements
- Considering how BSC Audit should be managed during migration year

Relevant Code Sections: Section H General

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## High Level Approach to future Working group meetings

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- Monthly working group meetings
- Two topics per meeting
- Supplier Charges will be a topic each month until concluded
- Topics will start at a high level with conclusions reported to the PAB each month so feedback can be obtained and course altered if needed
- November- This introduction and Supplier Charges
- December– Performance Reporting and Supplier Charges
- January– Qualification and Supplier Charges

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## Supplier Charges

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- What should an effective performance measure be there to do? We have attached a PAF review report and a methodology considered in the review for future performance standards is set out in Section 1.2. Is this list still appropriate and are there there additional considerations?
- Pros and cons of having key industry level Performance Standards at all
- How should Performance Standards be linked to Supplier Charges?
- Should charges be based on potential re-distribution of GSPGCF impacts or something else? (Note- GSPGCF will now be socialised across all Suppliers not just one segment)
- Should we introduce agent SLAs which support the Performance Standards when agreed?
- Should Performance Standards that align to Supplier Charges be within the BSC, a CSD or outside of the BSC and only the process for amending these contained within the BSC?
- In principle, should Supplier charges be capped?
- Should there be separate standards for each MHHS market segment?
- Should there be separate standards for different scenarios- eg for customers that have opted out, non-communicating Meters etc? If so what are the scenarios we should consider?
- Should there be separate standards for each of the Settlement Runs?
- Should we consider the age of any estimation?