

By e-mail to: [switchingprogramme@ofgem.gov.uk](mailto:switchingprogramme@ofgem.gov.uk)

Rachel Clark  
Ofgem  
Canary Wharf,  
10 S Colonnade,  
Canary Wharf, London  
E14 4PU

24 January 2019

Dear Rachel,

### **Retail Energy Code: Technical Specification approach consultation – ELEXON response**

We welcome the opportunity to comment on the proposed modifications to regulation and governance around Ofgem's Switching Programme.

As you are aware, ELEXON is the Code Manager for the Balancing and Settlement Code (BSC). We are responsible for managing and delivering the end-to-end services set out in the BSC and accompanying systems that support the BSC. This includes responsibility for the operation and delivery of balancing and imbalance settlement and the provision of assurance services to the BSC Panel and BSC Parties. We manage the assessment, identification, specification, development, implementation and operation of changes to central systems and industry processes. We are actively engaged across many areas of the Switching Programme, and have helped review and shape this approach through our involvement in the Switching Regulatory Design user Group (RDUG), who will continue to scrutinise and comment on revised documentation following industry consultation.

We summarise our overall considerations below.

### **Data Specification Approach**

We agree with the conclusion for the Data Specification that the preferred option 3 (a new register developed under the REC based on the agreed REC metadata model) for transforming and migrating metadata held in existing catalogues in the best option. Given the high level of industry reliance on the Master Registration Agreement Data Transfer Catalogue (MRA DTC), we propose a precautionary approach when considering reassigning any data item currently under BSC governance, to ensure that the integrity of Settlement is not put at risk during the migration or after.

We also wish to ensure that this exercise does not impact existing users of the DTC or prevent making incremental changes to the catalogue under MRA governance. ELEXON raises changes to the DTC to support Modifications and Change Proposals (CPs). We plan these well in advance because of the DTC change lead times under the MRA. Having certainty allows us to propose implementation dates to the Panel and Ofgem. We would welcome any assurances that Ofgem can provide that any changes approved under the MRA will be implemented under the REC and delivered in time for the proposed implementation date of the Mod or CP. We currently co-ordinate BSC, MRA and DTC changes by scheduling three BSC releases in February, June and November, which industry stakeholder prefer as it helps with their IT development planning. If this approach were to change, we would want any transitional arrangements to accommodate changes already in flight. If there are likely to be any limitations on the progression of data changes between now and implementation of the EMDS, it would be useful to have an early insight into these.

### **Service Definition Approach**

We note the Electricity Retail Data Service (ERDS) Service Definition with interest as this service will have important interactions with the Supplier Meter Registration Service (SMRS) that has a critical role in maintaining registration data for Settlement. We expect to further develop the SMRS obligations as the detail on the split of the governance of MPAS between the REC, BSC and DCUSA becomes clearer. For that reason, we agree that, because SMRS and the ERDS are logical interfaces within the DNO's estate and share a common Market Role Code, data from one will be made available to the other.

Where the ERDS Service Definition states that "the data sent from the SVAA to the ERDS includes Market Participant Data utilised by the ERDA in order to manage Regulatory Alliances", we note that current Market Domain Data is sent over the DTN from the Supplier Volume Allocation Agent (SVAA). The future interface with the ERDS and CSS is likely to change, as it will include company details. For greater flexibility, we suggest that this is changed to refer to "BSCCo" or "BSC Central Systems".

### **Testing Approach**

Paragraph 10.6 'Development of consequential changes' states "It is proposed that a similar approach be taken for the development of consequential changes required to deliver the full entry assessment process with existing code bodies responsible for developing these changes following the Autumn consultation (once the proposed provisions are clear)." We note that we are already carrying out this work in cooperation with the Programme, but there are still dependencies on how Metering obligations currently in the BSC are reallocated, as well as the knock-on impacts on Qualification and Assurance processes. We welcome the opportunity to continue to work with Ofgem in identifying these early to allow us to identify those other dependencies. We will need to factor the new metering governance split into the development of joint Entry Assessment and Qualification procedures to ensure that BSC market entry and Qualification processes dovetail with those of the REC.

With regard to Market Domain Data, we note that regardless of where some obligations currently in the BSC move to, our expectation is that BSCCo will remain the primary data master and distributor of all the essential electricity market domain data. We also note the progress of other important SCRs on Market-wide Half Hourly Settlement (MHHS) and the Targeted Charging Review (TCR), both of which are likely to make changes to Registration and Market Domain Data. Therefore, we believe now is not the time to make any changes to MDD as part of the Switching or Retail Code Consolidation SCRs.

Finally, this consultation reaffirms that, once appointed, the REC Code Manager will play key role in developing these more detailed proposals. In order to deliver on the ambitious timeline set out in this consultation, we welcome the opportunity to engage with the new Code Manager as soon as possible.

I would like to take this opportunity to assure you of our continued support, should there be elements of any of the BSC processes or my team's wider energy market experience, which may be able to provide further insight or if we can assist in any way.

If you would like to discuss any areas of our response, please contact me on 020 7380 4377, or by email at [Matthew.McKeon@elexon.co.uk](mailto:Matthew.McKeon@elexon.co.uk).

Yours sincerely,

Matthew McKeon

Market Advisor, ELEXON