

CCDG Consultation Response Template

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Respondent information		
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Confidential Y/N	No	

A Webinar on the consultation will be held in early 2021 if you wish to get an overview of the changes before responding.

Please:

- Email your response to CCDGsecretary@elexon.co.uk by **08:00 (8am) on 26 January 2021**, using the subject line 'CCDG consultation response'.
- Use this Word response form where possible to make it easier for the CCDG to identify and summarise views.
- Provide supporting reasons for your answers to help the CCDG understand your response.
- Identify clearly which, if any, aspects of your response are confidential. We will not publish any information marked as confidential, or share this with the CCDG. However, Ofgem will see all responses in full. We encourage you to provide non-confidential responses where possible, to inform the CCDG's discussions.

Email Elexon's MHHS team at CCDGsecretary@elexon.co.uk with any questions. More information can be found on the [CCDG webpage](#)

Question 1. Do you agree that the detailed MHHS TOM design is consistent with the Design Working Group's preferred Target Operating Model?

Yes

Rationale:

OVO agrees that the detailed Target Operating Model is consistent with the DWG's preferred solution.

Question 2. Do you have any specific comments on the proposed set of detailed data items or associated transition requirements set out for the MHHS TOM

Comments can be in relation to any or all of the areas set out by the CCDG under Section A.

Yes

OVO is broadly supportive of the proposal in the long term to remove Measurement Classes and define metering via Market Segments. However, we would need to see a complete picture of MHHS prior to providing our full support.

We would strongly advocate any changes made to data items to be as far in advance as possible, to allow sufficient lead time for the internal development of solutions that would allow the transition to the new settlement regime. We see this as particularly important in consideration of the volume of change created by the Faster Switching programme, and the pressure that this puts on developmental resources. To that end, we believe that the success of the implementation of the Faster Switching programme should guide the implementation of MHHS.

- We are supportive of the new CCCs because it enables GSPGCF Weighting Factors to be adjusted to reflect the accuracy of different estimation types and meters.
- We are supportive of the changes made to Industry Standing Data and Registration Data Items so far.

The proposal to rearrange Meter Technical Detail flows will have a significant impact and we would be strongly against the proposals put forward within this consultation. If any changes are to be made to the MTDs regardless, we would advocate any changes being made to MTDs at least two years in advance. We also would require further information on which direction the new D0312 would move in and how rejections would work. Furthermore, prior to go-live, we would advocate a clear examination of the volume of sites that have not been updated in line with the obligations set out within P272, and volumes of poor MTD data in the industry as a whole. This could be a blocker for the success of the Load Shaping Service. In addition, non-comms meters could cause an issue with this process and we would advocate an examination of the issue in consideration of the MHHS TOM.

We have concerns that:

- some MOps may not be able to read the GUID to be included within an updated version of the D0312.
- the temporary nature of the proposal to include "Meter Equipment/Service Location" within the D0312 - it could become potentially erroneous as soon as its recorded.
- we would like further development to be made on how it will be ensured that MPAS/SMRS are signed up to this process.
- as a MEM, we seek further clarity on whether we would be required to requalify under BSCP537 or the equivalent for MHHS?

Question 3. Do you agree that the TOM should not include a process for correcting Settlement volumes associated with ETs?

Yes

Rationale:

OVO agrees that a process for correcting Settlement volumes associated with ETs should not be included within the TOM for the following reasons:

- the overall reduction of ET volumes that will be delivered by Faster Switching will reduce the financial incentive for developing a solution for the MHHS TOM insomuch as it will render the cost of building a solution for the settlement of ETs as disproportionate to the value that would be saved;
- not building a solution for the settlement of ETs will incentivise parties to proactively resolve the causes of ETs rather than reactively resolving the subsequent issue of kWh settlement; and
- bi-lateral resolution of ET costs via option 2 would be overly-complex and is therefore a solution that we do not support.

Question 4. What impact would the lack of a process to correct ET Settlement volumes have on your organisation?

Response:

Rationale:

Question 5. Are there any non-Settlement reasons why your organisation would require new Related MPANs to be created in the target end state?

Yes

Rationale:

In our experience, Related MPANs are used for different purposes, and the Smart meters have been set up to use them too, therefore it is unclear how they cannot be considered in the TOM. Most notably for supplies needing more than one element.

We seek clarification on:

- How will sites with numerous 'related' maps be treated and managed? It states RTS arrangement will be discontinued under MWHHS, however that is not the view of an existing Load Managed Area Network or that under DCUSA (Schedule 8 is called out in the Matrix so must be impacted here) so how does a Twin Element (or Tri element - see the latest MDD) work then? Will all the load be on the same element on the meter?
- We would challenge the statement that meter variants are coming to allow for the discontinuation of the related MPAN is accurate as the new variants still require 2 MPANs. We believe there is no requirement for a Supplier to install a single meter at a site. The Smart solution allowed for 4 meters to link through the CH whilst the new MDD seems to require 2 or 3 meters to achieve. We view that this statement is at odds with the capability delivered under Smart.

Question 6. Do you have any specific comments on the proposed detailed processes, or associated transition requirements, set out in Section B for the MHHS TOM?

Yes

Non-smart meters with switched load

- This process could potentially incentivise suppliers to exchange meters in this category due to a desire to not engage in further complexity.
- We would push for analysis on how the shift to a single timing could have an overall impact on cost allocation.
- The implementation of such a regime should not be time-limited, but should be linked to the number of customers that still have these meters and have been unable to install smart meters, as a large number of customers could be adversely impacted if this regime ends too soon.
- There is a potential risk that, if a customer's view of their consumption is different to that which is provided by the LSS, explanations would need to be given on the disparity.
- Bottom line: suppliers may not be able to phase out meters such as Heating Control if the DNOs do not allow it due to their requirements (eg load diversification). We believe these should ultimately be simplified and de-restricted from their current forms through a solution such as that which is proposed by the CCDG within this consultation.

Registration: Appointments and Confirmations

- We are not overly supportive of this proposition. There needs to be a cross code review. CSS may not work with this proposition.
- We have concerns around multiple appointments - if we would like to trial a new prospective agent for a small number of MPANs for example, how would be able to do this in the new set up?

- We also have concerns about contractual relationships being held centrally within SMRS, as this can be commercially sensitive information.
- If SMRS are to hold this information, under what code would it be ensured that they adhere to service levels, and would any performance assurance be put in place to assist in maintaining this data? What timescales would they be required to adhere to and what exception procedures would be put in place if SMRS does not process our information correctly or in a timely manner? If issues in appointment arise, how would the knock on impacts to settlement be handled? Would there be a process in which agents would undergo a form of “Agent Erroneous Transfer”?

Change of Market Segment and Change of Data Service

- We believe that the timeframe of 30 days for Change of Segment is unrealistic. For example, if a polyphase metered site is being split into 3 single phase flats we may have access issues etc. Therefore an exception process would be needed for this.
- We would need to understand what the difference is between MEM, MSA and MSS, and how the obligations on MEMs would be impacted by the split between MSAs and MSS. Would we be required to re-accredit? What would the new flow arrangements be? If we cannot process MTDs, what should the process look like? What would our obligations look like on change of segment and what exception processes would be in place if there are any data issues?
- The current process to amend D0268 to D0149/150 is complex - how would this be updated in the new set up?

Related MPANs

- Ideally, we would support the removal of Related MPANs, however, suppliers and distributors alike may need to maintain these for certain scenarios. For example, where diversification achieved through Related MPANs is a necessity.
 - For example, SSEN in North Scotland has created MDD data and issued an LMA notice for three element related MPANs to exist in the smart world, in order to replicate existing electricity/heat/hot water arrangements.
 - There are additional reasons to have related MPANs going forwards, for example simultaneous supply of domestic electricity and electric vehicle charging, where the EV is on an interruptible supply and charged at a reduced price.
- So long as there are customers which require multiple MPANs, related MPANs are required in Settlement so that double costs are not incurred (eg DUoS Fixed Charge), which would be detrimental to these customers if the costs were passed on.
- As removing Related MPANs could either drive costs up or down, we believe Cost Benefit Analysis should also steer the implementation of the removal of Related MPANs.
- What would the cut off be for the removal of Related MPANs? There are instances where it would prove difficult to exchange Related MPANs due to access. How such instances would be managed should steer the transition to the complete removal of Related MPANs. For example, meters with no WAN coverage. We would advocate a firm plan to resolve the issue of sites in no-WAN areas prior to removing Related MPANs. No WAN means we cannot install smart meters with smart functionality in such locations.

Exception Reports

- As MHHS is not yet live, new exceptions could arise that would potentially need reporting.
- We would advocate the removal of the exception reports if they're no longer needed.
- However, such a decision should be steered in retrospect with the advantage of hindsight.
- For example, whilst the majority of D0095 categories will become defunct, some may still be of use, and in the very least we would support maintaining all D0095s until after transition.
- Furthermore, various issues would not necessarily be eradicated with MHHS. For example, transposed reads, Total Vs. Vend.
- To that end a discovery process would be beneficial.
- It could be that new combinations of reporting could be more beneficial in the MHHS set up.
- We are cautiously supportive, but need to ensure that suppliers have internal catches if the exceptions still exist, despite the removal of reports.

Export Metering

- We are supportive of the goal in settling all export sites. However, we also agree that the non-settlement of exporting sites is a cause of poor settlement data, and unless Export MPANs are all set up correctly we won't see the full benefit.
- We are also in agreement that, as we are obligated to be the import and export MEM, how the appointment process will work for the settlement of export MPANs should be carefully considered.
- We believe that there will be a challenge for sites where there is a small import and a large export. These customers should have an AMR with an appropriate tariff. We would also need clarification on whether we are assuming that only smart meters are "domestic" or are we going to treat AMR as "domestic" also. You will be charged more if on AMR but you should be getting domestic rates/contracts. As an industry we would need to figure this out, and come to an agreement.

GCF for Export volumes

We are supportive of applying Group Correction Factor to export volumes, and agree that the proposed calculation method is the simplest and fairest way of achieving this.

GCF Scaling Factors

OVO supports the approach taken to derive the initial values for Group Correction Scaling Weights. We believe varying scaling weights based on the quality of estimation allows for fairer allocation of volume.

However these should be monitored closely during and after transition to ensure they are allocating volume fairly. GCF volumes and shape may change significantly following MHHS, so it may be important to react quickly. We would ideally like to see a plan in place for error monitoring and refinement.

We think it would be worth considering whether Smart meters settled to actual HH advances (CCCs 108,110) should have comparatively even lower scaling weights than estimated CCCs (or estimated CCCs to have even higher scaling weights), given that the accuracy of these volumes should be extremely high.

GCF Time of Use Scaling Weights

OVO disagrees with the position on page 81, which states there is an insufficient case for introducing ToU scaling weights for GSP Group Correction Factor in order to prevent gaming.

Using existing HH data from Smart metered customers, it can be easily shown that particular segments of customers have peakier or flatter profiles, using demographic indicators. These same demographic indicators can highlight segments of both Non-Smart metered customers and Opted-Out Smart metered customers, for which it is likely that they would be more expensive to settle, were they settled to HH advances. Therefore, a supplier would have much less incentive to encourage these segments of customers to get smart meters, opt in to HH data sharing, or take up innovative propositions, because it would result in increased costs for the supplier. This behaviour is unlikely to be considered gaming, or to break any rules, however it poses a barrier to innovative propositions and leads to inaccurate settlement.

ToU scaling weights for GSP Group Correction Factor would solve this problem by ensuring a greater proportion of allocation error at Peak times, as a result of this issue, is allocated to Opted-Out meters.

OVO believes that any opt-out undermines the benefits of domestic flexibility by making it financially un-attractive to opted-out customers. Time of Use scaling weights would mitigate this by at least ensuring that their suppliers pay the true cost of their energy.

Question 7. Do you agree that the detailed MHHS TOM design meets Ofgem's Design and Development Principles?

Yes/ No

Rationale:

OVO broadly agrees that the MHHS TOM meets Ofgem's Design and Development Principles.

Concerns remain with regards to treatment of non half-hourly settled customers.

We question why the arrangements for non-smart customers with switched load are time limited, and what this time limit will be. If these customers are unable to have a smart meter fitted before the time limit, then they will be adversely affected as a result.

Question 8. Do you believe that all the major changes to the Industry Code documents required to deliver the MHHS TOM have been identified?

Yes/ No

Rationale:

OVO broadly agrees at the high level, however it is key to make sure the detailed changes needed to those codes are identified and worked through. For example, the SEC and DCUSA changes are not complete and there are areas still to be defined. There are also questions arising on how the detail will be worked out and the changes made to those Codes that seem to be outside of the scope of the CCDG. We seek clarification on how they will be worked through and those timescales.

Question 9. Do you think there are any drivers for changing the scope and/or structure of the BSCPs impacted by MHHS?

Yes/ No

Rationale:

Question 10. Do you have any other comments?

Yes

Rationale:

The TOM indicates that the Device (ESME) GUID and the MSN needs to be aligned and it is called out that it is for the MOP to accurately manage. However the MOP, under the SEC, do not own this relationship and data. SECMP0004 was explicitly rejected by BEIS to stop this link being made on the basis that the MSN and GUID should not be linked together.

The ownership of the Smart meter details (it doesn't call out that this is for a Smart meter only) lies with the Responsible Supplier. Regarding a Cross Meter situation, this is managed by the Responsible Supplier and the DCC, the MOP is not involved. We also note that the Smart solution allows for up to 4 ESMEs and is expecting these to be linked to their own GUID. In addition, the APC has a GUID and is an ESME to the DCC.

Furthermore, the ALCS is now included in Settlement however we notice that other devices are not (HCALCS, APC and SAPC). It should be noted that the TOM states the SMRS will be the 'master' for data items that are held in the SMI and the DCC service defined by the SEC, does this suggest there will be 2 masters? Updating SMRS, or a misalignment, will be handled by updating which source? We note that updating the SMRS will not update the DCC or the SMI, and vice versa.