

CCDG Consultation Response Template

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Respondent information

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Confidential Y/N	If yes, please indicate which parts of your response are confidential		

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@elxon.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 Elxon's MHHS team at CCDGsecretary@elxon.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

In our response to Ofgem's IA we outlined why we felt the DWG TOM was not the optimal way to implement MHHS and supported the alternative model proposed by AIMDA, which sought to achieve the benefits of increased accessibility to disaggregated data whilst also ensuring the settlement arrangements remain optimised for cost and efficiency. Upon review, we believe that the CCDG's recommendations in this consultation are compatible with both the DWG TOM and the alternative put forward by AIMDA. Whilst there is minor variation in which entity would utilise a particular data set or process under the alternative model, the substance of the CCDG's recommendations would remain unchanged and are still applicable.

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

Measurement Classes

We understand the view that in pure settlement terms, there may not be a requirement for Measurement Classes when the entire market is Half Hourly. However, it is difficult to support or comment on their removal when alternative approaches to performance management and data for network charging are yet to be defined. It is important for the PAF, Parties and Agents to have a shared definition of the sites that are most material to settlement and apply requisite performance targets and service levels. The Measurement Classes are a simple way of doing this and systems, processes and commercial structures across all participants have been built around them. Similarly, many MOP/DC obligations and processes are defined by Measurement Class. Equivalent obligations and processes under the new arrangements need to be defined if Measurement Classes are discontinued.

All of this equates to significant and unnecessary cost and disruption, which contradicts the principle of minimising the impact to the existing HH market. Justification for the proposal is lacking – the CCDG must demonstrate that there are material benefits to the removal of measurement classes and that they outweigh the cost of such upheaval. This analysis is not present in the consultation nor its Appendices.

We do not see why Measurement Classes cannot be retained purely for the purposes of performance management and network charging. Any alternative approach in these areas will likely look very similar to Measurement Classes (groupings of CCCs). We would therefore support a rationalisation of the Measurement Classes to align them with the TOM Design rather than remove them.

Registration Data Items

The inclusion of a “Direct Customer Contract” indicator could remove a source of inefficiency in the appointments process, however; we anticipate that this will be difficult to regulate effectively and could be prone to exploitation. In our view, this outweighs the potential benefit.

Current data quality around connection type is poor and this will need to be improved if much of the MHHS design will be reliant on it.

It appears that a “Data Service ID” item is missing. A separate “Meter Data Retriever” ID may also be required for the Smart segment so that the DCC can validate they are receiving service requests from the correct entity for a particular MPAN.

Consumption Component Classes, Industry Standing Data and Meter Technical Details

We have no specific comments in these areas.

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

Yes

Considering the total settlement volumes associated with ETs, introducing an entirely new process to deal with them could be disproportionate. Customer billing issues related to ETs can be resolved separately to Settlement and as industry is striving to reduce ETs overall, introducing a settlement process that supports them seems counter-intuitive.

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

Minimal

The impact to Stark would be minimal. The impact to our customers could be greater, however, as highlighted above this is likely to be immaterial to settlement and resolvable, from a customer perspective, through alternative means.

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

No

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

Appointments

We understand the benefits of this proposal but remain concerned that it might be an over-complication and introduces additional, unnecessary dependencies to the TOM. Furthermore, the Contract Reference is an important piece of information currently communicated in the D0155. If this is going to be communicated by Registration instead then limitations on the number of different references that can be established per supplier/agent combination should be avoided and a process for adding new ones, or removing defunct ones, needs to be agreed.

Change of Segment

A Change of Segment process will be required and the one proposed by CCDG appears to be the best approach. However, it is quite complicated and could be prone to similar issues as the CoMC process, which the design has sought to simplify and/or remove.

Opted-out Domestic Advanced

Creating an entirely new interaction between the ADS and LSS to cater for opted-out domestic customers with Advanced WC meters could be disproportionate (assuming CT are mandatory HH). There are currently ~90k of these and the process might only be required for a small subset. A proportion of those could also be non-domestic sites that are incorrectly identified as domestic and thus unable to opt-out. We would recommend Elexon speak with the suppliers and agents appointed to the sites identified to build a clearer picture of whether these sites are actually domestic and whether they are likely to opt-out. This would make it easier to evaluate whether this process is required.

Exception Reporting, Non-Smart switched load, MDS Processing, Demand Control Events and GSP Group Correction

We have no specific comments on these processes.

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

No

We have pulled out the areas where we disagree below.

Design principles

Data retrieval and processing – we do not agree that this principle has been fully delivered. The MDR solution in the Smart segment is not yet fully developed and there is the risk that innovation and competition are stifled through extended Target Response Times and overly restrictive DCC capacity requirements. Moreover, the D+2 ambition for the Smart segment is a limitation that will negatively impact the balance of speed and accuracy within the reduced settlement timetable.

Change of Measurement Class – the principle relates to CoMC during transition and the CCDG have not made any proposals in this area. Improvements to the existing process can be made to make any pre-migration activity in the transition smoother and a new process for direct adoption into the TOM should be defined to support such an approach.

Transition – Not yet done as there is a reliance on Ofgem and the DWG.

Development Principles

Potential central data store of Half-hourly data – the wording of this principle pre-judges the AWG's recommendations, which may propose a distributed model for HH data storage and access. Not considering 3rd party access as part of this principle is contrary to the EDTF recommendations on open energy data.

Data and communication standards – this has not been defined/designed by the AWG yet. Looking at the TOM we see that it is inefficient to transfer and store such large amounts of data when MHHS could have been achieved much quicker and simpler without the need for the transfer of market-wide dis-aggregated data. AIMDA proposed an alternative model in response to Ofgem's IA that sought to improve this aspect whilst maintaining wider benefits of the TOM.

Security Standards – Not yet defined.

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

No

Most high-level changes to Industry Codes required to implement MHHS have been identified.

However, we believe the scope of required changes to the SEC are broader than implementing an MDR User Role. For instance, there should be specific MHHS performance measures for the DCC and some form of accountability to the BSC PAF. This is the most significant external dependency of MHHS and the lack of BSC control over it is a cause for concern.

All major changes to the MRA and DCUSA appear to have been identified correctly.

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

No

A logical split could be "BSCPs" (BSC Processes) and then "BSCRs" (BSC Roles). However, the existing structure is workable and changing might be an unnecessary complication.

The potential impact of REC v2.0 on the BSCPs should be closely monitored. Currently this is mostly limited to BSCP514, however; if this becomes broader then there would be a stronger driver for altering the scope/structure of the BSCPs as a whole.

Question 10. Do you have any other comments?

Yes

The CCDG have developed a range of proposals that should enhance the ultimate TOM Design. However, some aspects require further thought and supporting detail to make them fully workable. Hopefully, this will occur during the legal text drafting, which we expect will require input from a range of committees and expertise outside of the CCDG.

A segment not considered in the TOM Design is “Asset Metering”, which will be utilised for balancing services and potentially to facilitate multiple supplier scenarios. It may be the case that they fall into separate arrangements to MHHS, however; it would be helpful for this to be confirmed and acknowledged. Asset Meters will also be included in the BSCP601 process and be serviced by the ADS – this could present a minor conflict in terminology.

Another important area of the TOM Design that has not been fully considered yet is the accompanying Performance Assurance Framework. This doesn’t just encompass performance targets but entirely new processes that will need some form of assurance. Lack of clarity on this point has made it difficult for industry to accurately estimate the potential costs of servicing the shorter settlement timetable and developing systems for the new services.

The Service Requirements produced by the DWG in 2019 are a helpful indication of the obligations to be placed on the Data and Metering services, however; they are not comprehensive or finalised. Some are outdated by the CCDG’s proposals. An updated view of these obligations and how they differ between market segments and degrees of materiality would be beneficial to begin planning system development. The largest consuming sites should continue to have additional obligations to assure the overall integrity of settlement.