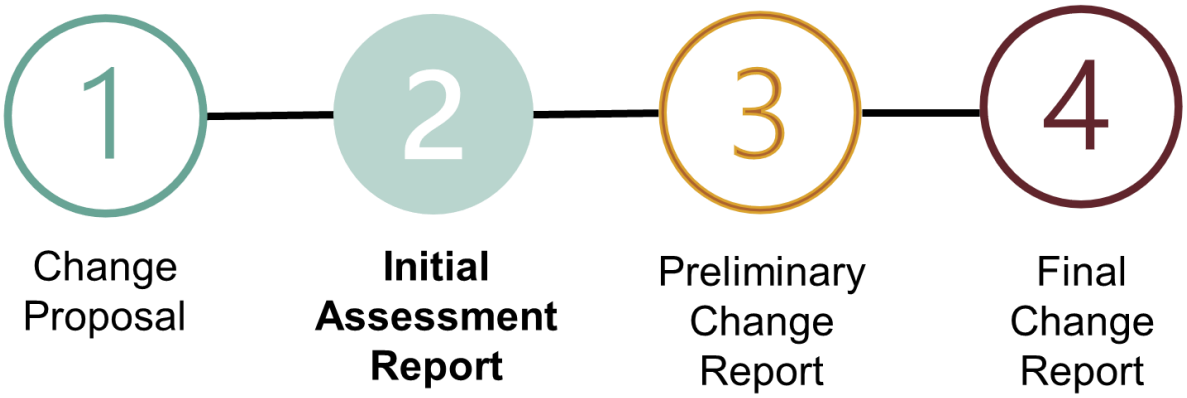
RETAIL ENERGY CODE

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Information is for public, unrestricted dissemination and publication.

INITIAL ASSESSMENT REPORT



PURPOSE:	This is a written report from the Code Manager setting out their initial assessment of the Change Proposal and planned next steps for progressing the proposal.
NOTES:	The Initial Assessment Report is accompanied by a Change Proposal Plan, which describes the Code Manager's plan for progressing this Change Proposal. The solution will not be finalised until the publication of the Preliminary Change Report.
NEXT STEPS:	The Change Proposal Plan will set out the next steps for progressing this Change Proposal. The Code Manager will either propose additional activities to develop and/or assess the solution, or immediately prepare and publish the Preliminary Change Report.

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01	Initial Assessment Report
02	Preliminary Change Report
03	Final Change Report

INITIAL ASSESSMENT REPORT

R0044 - MHHS PROGRAMME CHANGES REQUIRED TO CENTRAL SWITCHING SERVICE

DOCUMENT VERSION	1.0
DATE ISSUED	12/05/2022
DOCUMENT APPROVAL STATUS	APPROVED BY REC CHANGE PANEL
RESPONSIBLE COMMITTEE	REC CHANGE PANEL

CHANGE OVERVIEW

This change has been raised by the Market-wide Half-Hourly Settlement (MHHS) Programme to implement the necessary Retail Energy Code (REC) changes in relation to a new Data Communications Company User Role for the Meter Data Retrieval service (MDR). The new role required by the MHHS Target Operating Model will be established by the Smart Energy Code Modification Proposal, SEC MP162. This REC change will provide the new system interfaces required for sharing the MDR's Registration Data.

	High Impact: MHHS Programme
	Medium Impact: Central Switching Service Provider Distribution Network Operators
	Low Impact: n/a

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1 SUMMARY

Ofgem's Electricity Settlement Reform Significant Code Review (SCR)[1] has concluded that settling all electricity Consumers on a half-hourly basis would bring net benefits of up to £4.5bn by 2045. Ofgem has therefore determined that Electricity Suppliers should be mandated to settle their Consumers on a half-hourly basis.

Delivering the full solution for Market-wide Half-Hourly Settlement (MHHS) will require a new Smart Data Service (SDS) which includes a Meter Data Retrieval (MDR) service. The MDR service will retrieve data directly from Smart Meters as a new Data Communications Company (DCC) User Role, which is set out in Smart Energy Code (SEC) Modification Proposal 162 (MP162 'SEC changes required to deliver MHHS').

SEC MP162 assumes that MDR Registration Data will be sent from the Central Switching Service (CSS) to the DCC systems to enable the DCC to perform access control activities for the new MDR User Role. The controls will only allow registered MDR parties to successfully collect data from the Smart Meters at Metering Points that they are registered against.

This REC Change Proposal has been raised to progress the CSS system changes related to the MDR service, specifically the receipt of MDR Registration Data into CSS and the provision of MDR Registration Data to DCC. The MHHS programme has provided the high-level design, along with their current design assumptions, however the full solution needs to be developed as part of this Change Proposal.

This Change Proposal needs to progress as early as possible to minimise the risk of the CSS changes impacting the critical path of the MHHS Programme. This change is a consequential change required by the MHHS Programme. SEC MP162 is reliant upon the system interfaces which this change will deliver, and that it is in advance of SEC MP162 implementation. Implementation of SEC MP162 is aligned to the MHHS Programme system integration plan, which targets System Integration Testing (SIT) starting in Q3 2023. Any delay to this Change Proposal will have a direct impact on both SECMP162 and the MHHS Programme SIT window.

2 PROBLEM STATEMENT

The MHHS Target Operating Model requires that the Registration Data of the Meter Data Retrieval (MDR) parties is available to the DCC, so that the DCC can provide MDR parties with access to the Smart Meters at Metering Points they are registered to. Currently the new MDR role and Registration Data does not exist in, nor can it be made available from, CSS as this is a new industry operating model.

[1] Electricity settlement reform | Ofgem

3 USER STORIES

REF.	USER STORIES
MARKET PARTICIPANT USER STORIES	
M1	As the Data Communications Company, I want to be able to validate that a Meter Data Retrieval service is registered so that I can provide them with access to the Metering Points they are registered to
M2	As a Meter Data Retrieval service, I want to be able to access the Metering Points I am registered to so that I can collect settlement data from those meters
M3	As the Central Switching Service Provider, I want the Central Switching Service to receive notifications from the Registration Service on the appointment/de-appointment of Meter Data Retrieval service so that I can send the Registration Data to the Data Communications Company
M4	As the Central Switching Service Provider, I want the Central Switching Service to be provided with Meter Data Retrieval service Registration Data by the Registration Service so that I can pass it to the Data Communications Company
M5	As a Distribution Network Operator, I want to make Meter Data Retrieval service Registration Data available so that it can be passed to the Data Communications Company

4 IMPACTS

REC PARTIES AND SERVICE USERS
Distribution Network Operators
Data Communications Company

REC SERVICE PROVIDERS
Central Switching Service Provider

CONSUMERS
Electricity Consumers

REC DOCUMENTS / PRODUCTS
Interpretations and Definitions Schedule
Central Switching Service Schedule
Metering Operations Schedule
Registration Services Schedule
Switching Service Management Schedule
Data Specification - CSS

This change will impact all electricity Consumers with Smart Meters as the new arrangements delivered will provide the access control to the consumption data from their Smart Meter.

Distribution Network Operators are impacted as the responsible owner for the Metering Point Administration Service (MPAS).

The change will impact the data specification of the CSS service and also the specification of the interfaces:

- from MPAS to CSS for the provision of MDR Registration Data; and
- from CSS to the DCC Data Service Provider (DSP) for the provision of MDR Registration Data

Alongside the physical interface changes to add MDR related information to the existing interfaces, the solution will also need to consider data translation responsibilities, existing validation rules, error handling, and where these are managed between the impacted parties.

The impacts to REC Schedules identified are the Code Manager's initial view and will be validated through analysis and solution development. The impacts will depend on the proposed solution specific to this change.

4.1 CROSS CODE IMPACTS

This change is a MHHS Programme change that is essential to the implementation of the MHHS Target Operating Model. SEC MP162 has a direct dependency on this change. Engagement and collaboration for these code changes has already been commenced and will continue throughout the progression of this Change Proposal. The cross code governance specific to this change needs to be determined and established across the MHHS Programme, REC and SEC. Any alignment of change progression, consultation timings and decision dates will be part of this.

5 CHANGE PATH AND RESPONSIBLE COMMITTEE

CHANGE PATH	AUTHORITY DETERMINED
RESPONSIBLE COMMITTEE	REC CHANGE PANEL

The Change Path for this Change Proposal has been deemed to be Authority determined, in accordance with REC Schedule, Paragraph 9.3. The Change Proposal:

- is proposing changes that are likely to have a material impact on competition in the supply of gas or electricity in Great Britain.
- is proposing changes that are likely to have a material impact on existing or future Energy Consumers.

- has been raised by the MHHS Programme empowered by the Authority under the Significant Code Review on Electricity Settlement Reform.

This requires the decision to approve the change to be determined by the Authority.

The change impacts multiple documents primarily under the responsibility of the REC Change Panel (RECCP). We propose therefore that the Responsible Committee for this Change Proposal should be the RECCP.

6 PRIORITY STATUS AND URGENCY

PRIORITY STATUS	CRITICAL
URGENCY	URGENT

PRIORITISATION MATRIX

Significance	Score	Weighting
Legal/Regulatory Compliance	2	30
Strategic Direction	3	20
Cost Benefits / Value	0	10
Consumer Impacts	1	30
Operational Efficiency	0	10

Weighted Significance Score	2
Urgency	3
Overall Priority Score	**23**

Effort	2 - High

Urgency

3	N/A	13	23	33
2	02	12	22	32
1	01	11	21	31
0	00	10	20	N/A

Significance

Priority Score	Priority Status
23 - 33	Critical
13 - 22	High
11 - 21	Medium
00 - 10	Low

PRIORITY STATUS
Critical

The Priority Status for this Change Proposal is ‘Critical’ based on a ‘Significance’ score of 2 and an ‘Urgency’ score of 3. This is broken down as below:

Significance:

- Legal/Regulatory Compliance – score of 2 to reflect a moderate impact to REC’s ability to support the MHHS Target Operating Model in ensuring only registered MDR parties can successfully collect data from Smart Meters at Metering Points that they are registered against.
- Strategic Direction – score of 3 to reflect a major impact on the successful implementation of the industry wide programme to deliver the MHHS Target Operating Model.
- Consumer Impacts – score of 1 to reflect the minor impact of the expected benefits and opportunities for Consumers enabled through this change’s integral role in the wider implementation of MHHS but that the timing of this change and its functional role for the programme and its critical path has no immediate impacts to Consumers.

Urgency:

- This Change Proposal has been given an urgency score of 3 to reflect the requirement for this change to be progressed as soon as possible. This is important so that we can

fully understand the impacts and be able to be implemented the change in advance of SEC MP162 so as to minimise the risk of CSS changes impacting the critical path of the MHHS Programme within the MHHS Programme Plan.

We propose that this Change Proposal should follow an urgent timetable on the basis that the change needs to be linked to a specific date, for the following reasons:

- Implementation of this change is required in advance of the implementation of SEC MP162 to ensure that the new MDR arrangements are in place for MHHS Programme System Integration Testing which starts in Q3 2023.
- If this change is not implemented in within the proposed timescales, it could impact the critical path of the MHHS Programme Plan.

It is proposed that an urgent timetable would enable the implementation of the necessary changes in the June 2023 release.

7 SUMMARY OF CHANGE PROPOSAL PLAN

The Change Proposal Plan acknowledges that the design for the MHHS Target Operating Model is the responsibility of the MHHS Programme. The outline solution for this change has been provided by the MHHS programme and the urgency of the change means that alternative solutions will not be considered under this Change Proposal.

The plan therefore allows for appropriate validation of the proposed solution through an initial phase of analysis and requirements gathering, which will also inform development of a full solution. The plan will be expanded further once this initial work is completed, and more is understood about the appropriate progression of the change.

	FROM	TO
ANALYSIS AND REQUIREMENTS GATHERING	05/05/2022	20/06/2022
PRESENT UPDATED CHANGE PROPOSAL PLAN TO CHANGE PANEL	21/06/2022	21/06/2022

8 GLOSSARY

TERM	DEFINITION[2,3]
Central Switching Service (CSS)	means the Systems and processes provided or procured by the CSS Provider for the purpose of providing the Address Management Service and the Registration Service.
Consumer	means any person supplied (or seeking a supply) of Energy at an RMP (whether or not that person also exports or is seeking to export electricity at an RMP).
CSS Provider	means the DCC when performing functions under or in relation to this Code (but always excluding its functions under the Smart Energy Code and its roles as CSS Systems Integrator, SI Provider and Switching Operator), including in respect of the Central Switching Service and including in effecting the design, build and testing of any System that will allow it to perform functions under this Code after the CSS Go-Live Date. This role is the CSS Procurer and Manager function as described in the E2E Data Migration Plan, E2E Integration Plan, E2E Post Implementation Plan, E2E Testing Plan, E2E Transition Plan: Implementation Approach and E2E Transition Plan: In-Flight Switches Approach.
Data Communications Company (DCC)	means the person holding the DCC Licence.
Data Service Provider (DSP)	MHHS term: DCC System managing communications with Smart Meters
Distribution Network Operator (DNO)	means a person holding an Electricity Distribution Licence.
Electricity Supplier	means a person holding an Electricity Supply Licence.
Market-wide Half Hourly Settlement (MHHS)	MHHS term: Market Wide Half-Hourly Settlement will utilise the ability of smart meters to record a customer's usage during each half hour period to move domestic and small non-domestic customers to half-hourly settlement. Medium and larger non-domestic consumers have been settled half-hourly since BSC modification P272.
Meter Data Retrieval (MDR) service	MHHS term: This is a sub-service of the Smart Data Service. It is the entity responsible for connecting to the DCC, and retrieving smart metering data for MHHS purposes. Registered Suppliers may choose to perform this role themselves or appoint a third party MDR service provider.
Metering Point	has the meaning given to it in the Electricity Distribution Licence, which for the time being means:

[2] REC definitions used in this document are taken from the REC V3 Baselined Interpretations and Definitions Schedule where they are introduced by V3

[3] MHHS definitions are taken from the MHHS Glossary on the Programme Collaboration Base

	"the point, determined according to the principles and guidance given in the MRA Transition Schedule to the Retail Energy Code, at which a supply of electricity taken into or conveyed from the licensee's Distribution System: (a) is or is intended to be measured; or (b) where Metering Equipment has been removed, was or was intended to be measured; or (c) in the case of an Unmetered Supply, is treated as measured."
Metering Point Administration Service (MPAS)	means the service of that name which each DNO is required to provide under its Electricity Distribution Licence.
MHHS Target Operating Model	MHHS term: The Target Operating Model is the settlement arrangements designed by the Design Working Group (DWG), and further developed by the Code Change and Development Group (CCDG) and the Architecture Working Group (AWG) that will facilitate Market-wide Half Hourly Settlement.
Registration Data	means the data recorded in relation to a Registration.
Registration Service	means the component of the Central Switching Service which records Switching Operation Data and manages Switches, as further described in the Switching Data Management Schedule and the Registration Services Schedule.
Significant Code Review (SCR)	means a review of one or more matters by the Authority which the Authority considers is: (a) related to this Code (whether on its own or together with other Energy Code(s); and (b) likely to be of significance in relation to the Authority's principal objective and/or general duties (as set out in section 3A of the Electricity Act and section 4AA of the Gas Act), statutory functions and/or relevant obligations arising under Law, and concerning which the Authority has issued a notice that the review will constitute a significant code review.
Smart Data Service (SDS)	MHHS term: The Smart Data Services in the MHHS TOM comprise the Meter Data Retrieval Service, Processing Service (Smart) and Meter Reading Service, which together enable settlement of the Smart and Non-smart Market Segments.
Smart Energy Code	means the code of that name maintained pursuant to the DCC Licence.
Smart Meter	means a meter which conforms (or is intended to conform) with the SMETS.