RETAIL ENERGY CODE

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

# CHANGE REPORT

## R0102 - REVISION OF THE APPROVED SOLUTION FOR R0032

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| CHANGE REPORT | PRELIMINARY |
| DOCUMENT VERSION | 1.0 |
| ISSUED DATE | 14/04/2023 |
| DOCUMENT APPROVAL STATUS | ISSUED FOR CONSULTATION |

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| RESPONSIBLE COMMITTEE | TECHINCAL EXPERT PANEL | CHANGE PATH | SELF GOVERNANCE |
| PRIORITY STATUS | MEDIUM | URGENCY | URGENT |

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|---|---|
| DEADLINE FOR ALTERNATIVE CHANGE PROPOSALS | 14/04/2023 |

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### CHANGE OVERVIEW

This Change Proposal seeks to address points of concern that have been raised on the approved solution for R0032 and ensure there is no ambiguity regarding the Market Message requirements.

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| | High Impact:<br>Energy Suppliers, Distribution Network Operators,<br>Metering Equipment Manager. |
| | Medium Impact:<br>N/A |
| | Low Impact:<br>N/A |

### CODE MANAGER'S RECOMMENDATION

The Code Manager recommends Change Proposal R0102 is **APPROVED** for implementation on 30 June 2023.

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# BACKGROUND

## 1 BACKGROUND

To facilitate the MHHS Programme data cleanse activity, prior to the transition to Half Hourly Settlement, Registration Service Data Items need to be introduced into the existing SMRS system and displayed in the Electricity Enquiry Service (EES). Change Proposal R0032 - New Registration data items and processes to support the transition to Market-wide Half-Hourly Settlement (MHHS) was taken forward to introduce these Data Items to the D0312 Market Message (MM00256), which would enable the Data Items to be received and displayed in the EES.

In November 2022, Change Proposal R0032 was approved for implementation in the June 2023 standard REC release.

Impacted REC Parties have started to prepare for the implementation of their own system changes for R0032 and have contacted the REC Code Manager with questions and concerns about the approved solution. These specifically relate to the following aspects of the approved solution:

- The version number of the Market Message – version 002 has been maintained through R0032; however, Parties have raised concerns about the flow version not changing and the complexity this would add to their own implementation.
- The number of displayed register digits – the population rule does not currently set out the value to be used for every meter type, therefore, it is open to interpretation.

The Code Manager has reviewed these questions and determined changes are required to the approved solution, to address the points of concern that have been raised and ensure there is no ambiguity regarding the Market Message requirements.

As Change Proposal R0032 was approved for implementation in June 2023, the Code Manager has determined that this change meets the criteria for an Urgent Change Proposal. This will enable the change to progress on an expedited timeline, to reduce the risk of impacting the approved implementation date.

## 2 PROBLEM STATEMENT

In preparation for the implementation of R0032, Parties have identified areas of ambiguity with the approved solution. Following a review, the Code Manager identified that changes are required to the approved solution for R0032, which will ensure Parties have sufficient clarity to implement the required changes to their own systems and processes.

## 3 USER STORIES

| REF. | USER STORIES |
|---|---|
| **MARKET PARTICIPANT USER STORIES** | |
| M1 | As an impacted Market Participant, I want to have clarity on version of the Market Message and the population of Data Items within the Data Specification, so that my internal systems can be correctly configured to send and receive Data Items within Market Messages. |

# PROPOSAL

## 4 PROPOSED SOLUTION

As a result of feedback that was received post-approval of the original R0032 solution, the Code Manager reviewed the version of the D0312 (MM00256) and the reported impacts on Parties by not up-versioning the Market Message. In addition, further meter model types were added to the rule to clarify the value to be used for every meter type.

The proposed updates are:

**D0312 (MM00256) – Notification of Meter Information to MPAS**

**Market Message version number**

The Market Message will be up versioned from 002 to 003 in response to industry concerns that if no change was to be made processing messages at, and following, cutover would cause significant issues and may result in a high volume of rejections.

**Number of Displayed Register Digits**

This Data Item will be created as part of R0032. As part of the creation of the new Data Item, new rules will be added to the D0312 (MM00256) to state the number of register digits that should be displayed for certain types of smart meter. The approved R0032 solution has been updated to contain a wider range of smart meter models, including new meter model types introduced by R0010, which is also targeted for a June 2023 implementation.

## 5 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0102 can be found here.

# 6 SUMMARY OF IMPACT ASSESSMENT ACTIVITY

## 6.1 SERVICE PROVIDER IMPACT ASSESSMENTS

The EES Provider and the system provider for Electricity Retail Data Agents (ERDAs) were asked to impact assess the proposed amendments.

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| **EES PROVIDER** | • Agree with proposed changes.<br>• Do not anticipate any additional costs.<br>• Their ability to meet the 30 June implementation date for R0032 (and other MHHS Stage-0 changes) is not compromised by R0102. |
| **ERDA SYSTEM PROVIDER** | • Agree with proposed changes.<br>• Confirmed there is sufficient time to develop and test the patch required to the June MPRS release, providing the requirements are not extended beyond the proposed solution. However, concerns raised that Distribution Network Operators (DNO) may not have enough time to deploy the patch before the June 2023 window. |

## 6.2 REC PARTY IMPACT ASSESSMENTS

A Party impact assessment was issued on the 31 March 2023 and closed on the 11 April 2023; ten responses were received, six from DNOs (two of which were confidential in full, and one response was partially confidential), three from MEMs (one partially confidential) and one from an Energy Supplier.

The confidential responses have not been published; however, they have been considered in the Code Manager assessment.

The non-confidential responses have been consolidated and can be found on the Change Proposal Page on the REC Portal here.

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| **DISTRIBUTION NETWORK OPERATORS** | • Confirmed their understanding of the proposed changes and confirmed that their system provider will be able to accommodate the changes via a patch for the June MPRS release.<br>• Highlighted some internal impacts, however, did not identify any issues with these being implemented. |
| **METERING EQUIPMENT MANAGERS** | • Agreed with the proposed changes to the approved solution for R0032.<br>• One MEM may not be able to accommodate the changes and meet the June implementation date, however, this is still going through their internal impact assessment.<br>• Two MEMs highlighted there would be an increase in cost, with one of these MEMs agreeing the change would still be appropriate to progress. |

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| ENERGY SUPPLIERS | • Agreed with the proposed changes to the approved solution for R0032.<br>• Confirmed they will be able to accommodate the June implementation date.<br>• No additional costs were provided. |

## 7 DELIVERY AGAINST CHANGE PROPOSAL PLAN

To date, all activity has been completed within the planned timescales.

The Change Proposal Plan can be found here

## 8 KEY RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

### 8.1 RISKS AND ISSUES

| No. | RISK | NOTES | MITIGATION |
|---|---|---|---|
| R0102.CPP.R001 | There may not be sufficient time for Parties to develop and implement their own changes following the approval of this Change Proposal. This could result in the need to delay the implementation of R0032. | The implementation date is aligned to BSC CPs 1558/1568 and is driven by the MHHS Programme timeline. | Impacts to Parties have been determined through the impact assessment. |

### 8.2 ASSUMPTIONS AND DEPENDENCIES

| No. | ASSUMPTION | NOTES | HOW/WHEN TO VALIDATE |
|---|---|---|---|
| R0102.CPP.D001 | The Change Panel will need to be confident with the timetable for progression in order for a decision to be reached on whether to approve this Change Proposal. | | Closed – Change Proposal Plan approved. |
| R0102.CPP.D002 | R0010 quoted Service Provider Implementation costs are dependent on | Will be validated that Parties can still build in time for June 2023. | Closed – Service Providers have confirmed they are still able to implement for June 2023. |

| | | | |
|---|---|---|---|
| | delivering REC Change Proposal R0032 at the same time as R0010 | | |

## 9 PROPOSED IMPLEMENTATION DATE AND APPROACH

| PROPOSED IMPLEMENTATION DATE | 30/06/2023 |
|---|---|

| PROPOSED IMPLEMENTATION APPROACH | BIG BANG |
|---|---|

As Change Proposal R0032 was approved for implementation in June 2023, the Code Manager has determined that this change meets the criteria for an Urgent Change Proposal. This will enable the change to progress on an expedited timeline, to reduce the risk of impacting the approved implementation date.

## 10 BUSINESS CASE ASSESSMENT

### 10.1 COSTS

The Code Manager acknowledges there will be some costs associated with the additional changes to the solution, however non confidential costs have not been provided by Parties for inclusion in this business case assessment.

Overall, the Service Provider cost to accommodate the changes to the approved solution is £15,000. This is in addition to the costs identified under R0032.

## 11 CASE FOR CHANGE

The Code Manager considers that there is a case for change on the basis that by not approving this Change Proposal, affected Market Participants would not realise the benefits of R0032.

Without this change to the approved solution for R0032, there could be significant manual work required to ensure the release cutover is effective and the ongoing processing and resending of flows is successful.

## 12 CODE MANAGER'S RECOMMENDATION

Based on the evidence in section 11 of this report, the Code Manager considers a positive business case can be made for implementing this solution and recommends that the Technical Expert Panel (TEP):

The Code Manager recommends that the Technical Expert Panel

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of 30 June 2023

## 13 CONSULTATION PLAN AND NEXT STEPS

The consultation on this Preliminary Change Report for R0102 will be published on the REC Portal on 14 April 2023 and will close on 21 April 2023**.**

Following consultation, the Code Manager will produce an updated version of this Preliminary Change Report (referred to as the Final Change Report). This will include the outcome of the consultation, setting out a summary of the consultation submissions and the Code Manager's response.

The Final Change Report will be issued to the TEP to make its determination.

## 14 APPENDIX

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| **CHANGE PROPOSAL** | R0102 - Revision of the approved solution for R0032 |
| **LEGAL DRAFTING** | Final Legal Text |
| **CONSOLIDATED IMPACT ASSESSMENT RESPONSES** | Consolidated Impact Assessment Responses |
| **RELATED CHANGE** | R0032 - New Registration data items and processes to support the transition to Market-wide Half-Hourly Settlement (MHHS) |

## 15 GLOSSARY

| TERM | DEFINITION |
|---|---|
| Balancing and Settlement Code | means the Balancing and Settlement Code, as defined in the Electricity Supply Licences. |
| Half Hourly | refers to electricity being traded and/or settled on a half hourly basis. |
| Distribution Network Operator (DNO) | means a person holding an Electricity Distribution Licence. |
| Meter Equipment Manager (MEM) | means, as applicable, either: (a) for electricity, the Meter Operator Agent (as defined in the BSC) Appointed by an Electricity Supplier; or (b) for gas, the Meter Asset Manager (as defined in the UNC) Appointed by the Gas Supplier. |
| Electricity Enquiry Service (EES) | Electricity Enquiry Service EES means the service described as such in the EES Service Definition. |
| Electricity Retail Data Service (ERDS) | means the electricity registration services provided under this Code to support the provision of electricity retail data to the CSS and other services |
| Electricity Retail Data Agent (ERDA) | means a provider of a DNO's Electricity Retail Data Service. |