

CONSULTATION ON THE DWG'S TARGET OPERATING MODEL FOR MARKET-WIDE HALF HOURLY SETTLEMENT

CONSULTATION RESPONSE TEMPLATE

Respondent Information		
Name of Respondent	Seth Chapman	
Name of Company	Morrison Data Services	
Type of Company	Party Agents	
Contact Details	Seth.chapman@morrisonds.com	0191 2013612
Confidential Y/N	No	

Please email your response to dwgsecretary@elexon.co.uk by 5pm on Friday 15 March 2019, using the subject line 'DWG TOM consultation response'.

Please use this Word response form where possible, to make it easier for the DWG to identify and summarise views. To help the DWG understand your response, please provide supporting reasons for your answers.

Please mark clearly if any aspect of your response is confidential. Any information marked as confidential will not be published by ELEXON or considered by the DWG, but will be shared with Ofgem. We encourage you to provide non-confidential responses where possible to inform the DWG's discussions.

Who can I contact with any questions?

ELEXON's MHHS team will be happy to help. Please email them at dwgsecretary@elexon.co.uk.

How do I link the consultation questions to the report content?

The basis for this consultation is the DWG's report to Ofgem on its recommended TOM.

Below we show which sections of the DWG's report contain the information relevant to each consultation question.

Question 1	Do you agree with the DWG's recommended TOM as a basis for delivering Market-wide Half Hourly Settlement? <i>Please list any elements that should be changed or improved.</i>
Relevant report sections: Executive Summary, Introduction, Section 2 'Scope, design approach and the future role of the Supplier', Section 5 'Overview of the DWG recommended TOM', Section 6 'Service Overview (Summary Guide)', Attachment A 'Detailed TOM Service and Data requirements'	
Answer: Yes	
<i>At the level described here we believe the recommended TOM covers all the activities required to deliver market wide half hourly settlement.</i>	

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Question 2	Do you agree that the DWG has identified the correct TOM, taking into account Ofgem's 'least-regrets' policy steers?
Relevant report sections: Section 1 'The Vision', Section 3 'TOM Design Principles and Strategic Objectives', Section 4 'Ofgem policy development', Attachment B 'DWG's development of the TOM'	
Answer: Yes	
<i>Given Ofgem's policy steers and the information available we believe the recommended TOM is the correct choice from the draft TOMs to deliver market wide half hourly settlement</i>	

Question 3	Do you agree that the TOM captures all essential Settlement processes?
Relevant report sections: Section 5 'Overview of the DWG recommended TOM', Section 6 'Service Overview (Summary Guide)', Attachment A 'Detailed TOM Service and Data requirements'	
Answer: Yes	
<i>By design the recommended TOM captures all the essential settlement processes. No additional essential settlement processes have been identified since the draft TOM stage.</i>	

Question 4	Do you agree that the DWG has identified all the required data to be processed by the three Data Services (Smart Data Service, Advanced Data Service and Unmetered Supplies Data Service)?
Relevant report sections: Section 6 'Service Overview (Summary Guide)', Attachment A 'Detailed TOM Service and Data requirements'	
Answer: Yes	
<i>At describe level of detail we believe all the required data has been identified.</i>	

Question 5	Do you agree that the TOM does not hinder new market entrants, technologies and innovations?
Relevant report sections: Introduction, Section 2 'Scope, design approach and the future role of the Supplier', Section 5 'Overview of the DWG recommended TOM', Section 6 'Service Overview (Summary Guide)'	
Answer: Yes	

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Question 5	Do you agree that the TOM does not hinder new market entrants, technologies and innovations?
<i>Yes, given the current information there is nothing in the TOM that would hinder future changes for innovation.</i>	

Question 6	Do you agree that the DWG's reduced Settlement Timetable is appropriate and achievable in the Target End State? Please identify any constraints that you believe are relevant.
Relevant report sections: Section 8 'Settlement timetable', Attachment B 'DWG's development of the TOM'	
Answer: Yes/No (delete as appropriate)	
<i>Please provide your reasons here</i>	

Question 7	Do you agree with the DWG that participants should be able to correct Settlement Errors after the Final Reconciliation Run through Trading Disputes, and for at least 12 months after the Settlement Day (subject to an appropriate materiality threshold)? <i>Please identify the number of months and materiality threshold you believe are appropriate and why.</i>
Relevant report sections: Section 8 'Settlement timetable', Attachment B 'DWG's development of the TOM'	
Answer: Yes/No (delete as appropriate)	
<i>Please provide your reasons here</i>	

Question 8	Do you agree that there are overall cost benefits to Parties from the reduced Settlement timetable? <i>Please identify any enduring cost implications of the proposed timescales.</i>
Relevant report sections: Section 8 'Settlement timetable', Attachment B 'DWG's development of the TOM'	
Answer: Yes/No (delete as appropriate)	
<i>Please provide your reasons here</i>	

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Question 9 Do you agree with the nine transition principles that the DWG intends to follow when developing its approach?

Relevant report sections: Section 10 'High level development of transitional approach'

Answer: Yes

We agree with these principles.

Question 10 Do you have any views on the areas of design detail for further consideration?

Relevant report section: Appendix B Areas of design detail where the DWG recommends further consideration (Page 19).

Answer: Yes

We agree with these are some of the areas that need further consideration. We believe at the current level of detail the TOM describes conceptually what needs to happen for market wide settlement, but not how this could be achieved. It is not yet possible for individual participants in the market to understand what they would need to do make this model into really systems and processes. This needs further consideration and design detail by the DWG or through the SCR.

Question 11 Do you have any further comments?

Answer: Yes/No (delete as appropriate)

Please provide your comments here