

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

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: No	
<i>Whilst we agree with leaving the traditional AMR market largely untouched we feel there is a missed opportunity here in the smart sphere. As we have said in previous consultation responses, it cannot be efficient or indeed sensible not to send data straight from the DCC into Settlements direct.</i>	

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>This is something of a leading question. Perhaps the question should be whether the policy steers are appropriate for a brave new world.</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>Please provide your reasons here</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	

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**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)?

*Please provide your reasons here*

**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**

*But other options are no more of a hindrance.*

**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**

*4 months to RF is appropriate in the Target End State, but there would have to be 97% Smart meter penetration for that to be appropriate.*

**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)?  
*Please identify the number of months and materiality threshold you believe are appropriate and why.*

Relevant report sections: Section 8 'Settlement timetable', Attachment B 'DWG's development of the TOM'

**Answer: Yes**

*Trading Disputes should continue to be available for 28 months. The traditional AMR market is not really affected by the proposed changes so it would be inappropriate to change the associated settlement timescales. We are aware of several metering issues at complex sites which have taken a long time to identify and then a long time to fix and it is precisely because such sites are so big that the ability to correct settlement needs to be maintained.*

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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: No	
<i>We do not believe that the cost benefits are at all material for our organisation.</i>	

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	
<i>These appear to be sensible.</i>	

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: No	
<i>Please provide your comments here</i>	

Question 11	Do you have any further comments?
Answer: No	
<i>Please provide your comments here</i>	