

DWG CONSULTATION ON TRANSITIONING TO THE MHHS TOM

CONSULTATION RESPONSE FORM

Respondent information		
Your name	Paul Akrill	
Your company	IMServ Europe Ltd	
Type of company	Supplier Agent: Meter Operator, Data Collector and Data Aggregator	
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Confidential Y/N	N	

Please:

- Email your response to dwgsecretary@elexon.co.uk by **08:00 (8am)** on **8 July 2019**, using the subject line 'DWG transition consultation response'.
- Use this response form where possible to make it easier for the DWG to identify and summarise views.
- Provide supporting reasons for your answers to help the DWG 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 DWG. However, Ofgem will see all responses in full. We encourage you to provide non-confidential responses where possible, to inform the DWG's discussions.
- Email ELEXON's MHHS team at dwgsecretary@elexon.co.uk with any questions.

The DWG will consider your responses and deliver its final report to Ofgem during summer 2019.

Question 1	Do you agree with the DWG's proposed mapping for Metering System types to Market Segments?
Please list any elements that should amended.	
Answer: Yes and No	
<p>The mapping is logical and covers most situations. There may be merit in having further sub-division in the measurement classes that cover the domestic and non-domestic smart meters as not all customers in these proposed measurement classes will have a smart meter. It may be useful to look at the performance of non-smart meters separately if this turns out to be a large population and therefore a significant amount of energy.</p>	

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Question 2 Do you believe it is feasible to use the elective HHS process to migrate significant numbers of MPANs to HHS as an interim step in the transition process?

Please identify what changes you believe would need to be implemented to use Elective HH as an interim step and/or any issues you have noted with the current elective process which are a barrier to using it as an interim step.

Answer: Yes

It is technically feasible to do this, but elective HHS is not supported by all parties in the market, as it is currently an optional service with low take-up rates.

Therefore as recorded in the DWG discussion, elective HH may be considered a dead-end step by many before implementing the full TOM solution, especially as elective HH is based on current HHDC processing rules. This would be wasteful of investment time and capital.

However, there may be benefits from exercising HH processes at volume before the full transition to Mandatory HHS which HH elective could bring. This could speed up the transition period to MHHS, and the duration of the MHHS transition period is very important to determine the transition costs.

The question is not one of feasibility but desirability. Perhaps this could be explored as part of the costs of transition when the industry is asked to cost-up the various transition scenarios for the full business case?

Question 3 Do you agree with the PAF Assumptions and Principles and that all the potential impacts on the PAF have been identified?

Please identify any omissions.

Answer: Yes

Yes, although I am interpreting the statement in the text "Performance Serials could be configurable/adaptable and set by PAB" to mean that the targets set by performance serials are configurable, and not the material context of the performance serial itself. New and changes to performance serials need to be clearly understood up front as they have an impact on design, operation and implementation of services.

Question 4 Do you agree with the phased approaches proposed for BSC and Registration Systems?

Please identify any issues and dependencies with the proposed approaches.

Answer: No

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Question 4 Do you agree with the phased approaches proposed for BSC and Registration Systems?

I thought this section was significantly light on detail, and I hope that more detail/clarification will be provided prior to the cost evaluation exercise for the full business case.

What is the phased approach proposed? Agile is mentioned, but there is no proposed phasing of functionality. It is not clear from the approach what the impact would be on other parties.

Question 5 Do you agree with the phased approach proposed for the Smart and Non-smart Market Segment?

Please identify any issues and dependencies with the proposed approach.

Answer: No

The descriptions of the phases are not very clear.

Some observations on them:

- a) Is work required to move to the pre-transition stage (page 22)? This does not appear to be described in a phase.
- b) There is no mapping of the phases on page 25 to the diagrams on the previous pages. It is therefore not clear if the phases cover all transitional steps.
- c) I do not understand the purpose of the Interfacing phase. The description of the phase is inadequate. Are there assumptions about the availability of other systems/projects that need to be articulated?
- d) There is no phase to cover the run-down of the legacy arrangements.
- e) There is no sense of time to the phases.

Question 6 Do you agree with the phased approach proposed for the Advanced Market Segment?

Please identify any issues and dependencies with the proposed approach.

Answer: No

I do not understand the order or content some of the activities listed in the phased approach.

Why are MPANs adopted by the ARP service (phase 2) before interfacing with a revised registration system (phase 3) and before the transfer of data to the BSC central system (phase 4)? Does this imply that the ARP has to feed data to the HHDA before phase 4? (if so, I cannot see this in the description or the diagrams provided).

There is no phase to cover the run-down of the legacy arrangements.

One of the comments on the DWG discussion is inaccurate. The expectation that only CT meters will have an advanced meter on an enduring basis is false. Non-domestic customers have a choice of metering and many whole current sites currently have, and will continue to have, advanced meters on an enduring basis.

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Question 7	Do you agree with the phased approach proposed for the Unmetered Market Segment?
Please identify any issues and dependencies with the proposed approach.	
Answer: No	
<p>There is a statement in phase 1 that the HHDCs and HHDAs “may need to adapt their systems to process HH data at Wh granularity”. I disagree that this is the correct path forwards, as these are both legacy services and should not need adaptation to facilitate the introduction of the UMSDS.</p>	

Question 8	Do you agree that the critical path captures all the key activities and dependencies?
Please identify any omissions, issues and dependencies with the proposed approach.	
Answer: No	
<p>Whilst I agree that BSC central system readiness is on the critical path, as transition cannot start until this readiness has been achieved, I believe that the overall critical path for transition is determined by the overall readiness to all suppliers to migrate to MHHS and the speed of execution of their individual transition plans with their chosen service providers.</p> <p>Historically, market transitions of this nature have not been without problems and delay.</p> <p>There is no description in the document as to how a transition will be governed, or orchestrated. It is a very technical analysis and it would be helpful to consider the wider picture.</p>	

Question 9	Do you agree with the DWG’s proposed approach for transitioning to the revised Settlement Timetable?
Please identify any issues with the proposed approach.	
Answer: No	
<p>The proposal lacks details and currently has a great deal of ambiguity. It does not say what the approach will be. The ideas suggested in the paper are valid, but without a concrete proposal as to what the trigger points and timings of any changes might be, it is impossible to comment on the proposed approach.</p> <p>One thing I would like to stress the importance of is to make decisive changes, signposted far in advance. Business processes are linked to the settlement timetable and it is not a trivial exercise to change them. For example, the current timing of the SF run the HH market drives site visit activities around collecting data from sites without communications links. Reducing the timing of the SFs will have a material impact on this activity.</p>	

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Question 10	Do you agree that the DWG's proposed Dispute Timetable and approach to materiality strikes an appropriate balance between shortening timescales and correcting material Settlement errors?
Please identify any issues or risks with the proposed approach.	
Answer: Yes	
This seems to strike a fair balance	

Question 11	Do you agree that the DWG's proposed transition approach aligns with the nine High Level Transition Principles set out for the transition approach?
Please identify any areas of the approach that do not align with the principles.	
Answer: Partially, to confirm alignment needs more detail in certain areas	
<p>a) The transition approach shall not degrade the quality of Settlement data; This is unclear. Historically, Industry performance has suffered during transitional periods, recovering afterwards. How performance will be inspected and managed during transition, what controls will be used during transition to influence performance, still need to be explored and considered.</p> <p>b) Transition shall be phased in order to minimise impacts and risks; There is a phased transition (albeit with some detail lacking), but a structured risk analysis is yet to be performed on the approach to see if impacts and risks have been minimised. In fact, in some areas, it looks as though the phased approach has increased the impact of change in some areas by introducing temporary arrangements (see comments on questions 6 and 7)</p> <p>c) Different market segments can transition at different times or in parallel; Yes</p> <p>d) If the Department for Business, Energy & Industrial Strategy (BEIS) decides that Export energy from small scale renewables must be registered for Settlement, then the transition approach for Export may be different to – and shall not slow down – the transition for Import energy; Yes with separate MPANs, it would be possible for import and export to transition at different times</p> <p>d) The transition to MHHS shall not prevent customers using the existing elective HH process; Yes</p> <p>f) The transition approach needs to balance the efficiencies of making HH Settlement a 'one-way gate' (i.e. preventing HH customers switching back to NHH arrangements during the transition) with not creating undue barriers to customers switching BRP (Supplier); It is not clear how this balance has been achieved. In what circumstances can an MPAN go back to the old arrangements?</p> <p>g) During transition, there shall not be dual Settlement processes operating at the same time for a single Metering Point Administration Number (MPAN) on the same Settlement Day (i.e. not settled both NHH and HH); It is not clear how this will be assured, or that an MPAN is in any settlement process for a given day.</p> <p>h) The transition approach shall recognise when the existing arrangements are no longer viable; It is not clear how this will be achieved. The run off arrangements for the legacy processes are not specified.</p> <p>i) There shall be appropriate monitoring, reporting and enforcement of participants' progress during transition.</p>	

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Question 11	Do you agree that the DWG's proposed transition approach aligns with the nine High Level Transition Principles set out for the transition approach?
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The document does not explore this in any great detail.

Question 12	Do you have any other comments?
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Answer: Yes

I do not believe that this transitional approach document contains sufficient clarity and detail to move to the proposed next phase of work. I suggest that more work is done to draw out the detail before we proceed to detailed implementation costing.