

DWG CONSULTATION ON TRANSITIONING TO THE MHHS TOM

CONSULTATION RESPONSE FORM

Respondent information		
Your name	Rachael Anderson	
Your company	Utilita Energy	
Type of company	Supplier	
Contact details	rachaelanderson@utilita.co.uk	
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 (delete as appropriate)	
<i>We have no initial concerns with the DWG's proposed mapping for Metering System types to the new Market Segments.</i>	

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: No (delete as appropriate)	

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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?
<p><i>We are unclear from the consultation what the benefits case is from Ofgem's perspective using elective HH processes as an interim step in the transition to the end TOM.</i></p> <p><i>We do not see the value in Suppliers having to migrate a significant number of MPANs to elective HHs processes when these MPANs will then need to be migrated to the new arrangements in a relatively short period of time. We believe this adds extra costs, complexities for customer and additional resource requirements into the programme, particularly when agents and Suppliers will already be having to be developing their own systems and processes to meet the requirements of the end state proposed TOM model.</i></p> <p><i>In our opinion, the main reason why elective HH services has not been adopted to a higher degree by Suppliers is the significant costs charged by agents for handling the sheer volume of HH metering data in comparison to NHH meters. Therefore, we would be extremely uncomfortable and would question the competitive nature of being mandated to use existing elective HHS processes as an interim step if we still were in the position of having to appoint existing HH agents (and bear the costs) to fulfil our BSC obligations.</i></p>	
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.	
<p>Answer: Yes</p> <p><i>Regarding the PAF Assumption we question why 'could' has been used rather than 'will' under: Performance serials could be configurable/adaptable and set by the PAB. We believe the Performance Serials should be under continuous review to ensure the right market behaviours are being witnessed and we would not see this falling under any other forum currently than the PAB.</i></p> <p><i>We are particularly supportive of the PAF Principles around Suppliers not being penalised due to systematic issues incurred by service providers such as the Data Communications Company and where a customer opts out of sharing HH level data.</i></p>	
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.	
<p>Answer: Yes</p> <p><i>We agree that an Agile methodology should be applied to deploying required changes to BSC and registration systems.</i></p>	

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

As this approach will impact the timeframes in which aspects of the end solution will be available for testing we'd welcome clear proposed delivery dates for each of the deployments in order to manage and prioritise our own build and test phase internally.

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: Yes

We agree in principle with the proposed phased approach for smart and Non-smart Market segment, however we have questions how the adoption/migration approach would work in practice.

For example, we would welcome more information on how the migration activities will tackle to diversity of each Suppliers portfolio (spread of customers who have opted out of smart metering services/ HH data access etc) and how Elexon intends to ensure that bespoke migration plans are both agreeable and manageable between Suppliers and relevant service providers.

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: Yes

Again, the phased approach seems sensible currently however we need to understand the detail behind the high-level approach when more information becomes available.

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: Yes

As commented on question 6, the phased approach seems sensible currently however we need to understand the detail behind the high-level approach when more information becomes available.

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.

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Question 8	Do you agree that the critical path captures all the key activities and dependencies?
Answer: Yes in part (delete as appropriate)	
<i>We believe appendix B captures the systematic elements of the programmes activities however there are a number of governance (i.e. BSC / SEC accreditations) and contractual activities that will also be required as part of the end-to-end programme and these would provide a better picture of critical programme milestones/dependencies.</i>	

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: Yes	
<i>We agree with the overall view of the DWG that transitioning to the revised Settlement Timetable should wait until Central Settlement Services have gone live and until all MPANs have successfully migrated and settled under the new TOM. This will mitigate potential issues and complexities such as around the management of multiple Settlement Calendars for MPANs at different stages of migration.</i>	
<i>We believe the PAF should have a key role in monitoring the success of new arrangements and inform the appropriate timing for when the revised Settlement Timetable should be adopted.</i>	

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	
<i>We are more comfortable with the DWG's proposal for the disputes cut-off window to be shorted to 20 months than the prior suggestion of 12 months. Current performance is likely to be remarkably different and the impacts of the shortening of the RF are yet to be understood. We would however be open for the Disputes Final Run timeframe to be kept under review to determine whether there was a case for the timeframe to be further reduced over a set period of time.</i>	
<i>We are also supportive of the PAB's recommendation to the DWG for incrementally increasing the dispute materiality threshold. This should follow close monitoring of performance at the end of each RF window, at least initially where there will be lessons to be learnt across the market.</i>	

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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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Please identify any areas of the approach that do not align with the principles.

Answer: Yes

We agree with the DWG's proposed approach continues to align to the nine transition principles.

Question 12	Do you have any other comments?
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Answer: No

Please provide your comments here