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MP162 ‘SEC changes required to deliver MHHS’

Conclusions Report – version 0.1

About this document

This document summarises the responses received to the Modification Report Consultation regarding approval or rejection of this modification.

Summary of conclusions

Modification Report Consultation

SECAS received 14 responses to the Modification Report Consultation. Ten believed that the modification should be rejected, considering the modification did not better facilitate the SEC Objectives. Three respondents abstained, and the final respondent provided a confidential response.

Modification Report Consultation responses

Views from Large Suppliers

Five Large Suppliers responded to the consultation, all believing MP162 should be rejected.

The respondents are supportive of the wider market-wide half-hourly settlement (MHHS) initiative. However, they felt they could not approve MP162 for various reasons and were not clear it better facilitated any of the SEC objectives.

One respondent disagreed with the Proposer's views that MP162 would better facilitate Objectives (b)¹, (c)² and (g)³. While MP162 implements the changes needed to facilitate MHHS, it could place other DCC delivery obligations at risk if the DCC couldn't meet the capacity requirements for its other obligations. Suppliers can already access the data needed for MHHS, and the large implementation costs would be passed through to consumers. They also considered MP162 could be detrimental to Objective (a)⁴ if overloading the DCC systems could mean other customer commitments can't be met, such as installing new meters or carrying out real-time troubleshooting, and Objective (f)⁵ due to the lack of Privacy Assessments for the new User Role (see below).

Several of the respondents noted concern with the allocation of the significant costs for MP162. The DCC costs for implementing modifications are recovered via Fixed Charges, which are split across Suppliers and Network Parties. Large Suppliers did not believe that they should incur the costs for MP162 for a service they can deliver without these changes, also noting these costs would ultimately be borne by consumers. Respondents felt the benefits Suppliers would realise would not match the costs they would incur, and that these costs should be incurred by the Supplier Agents. They also acknowledged the target operating model's (TOM) requirements regarding third-party access to half-hourly data but did not believe this sufficient to justify the costs for this being incurred by organisations who won't use this functionality. One respondent noted concerns the costs set out in the Modification Report could increase later on.

One respondent noted that the TOM only requires a meter data retrieval service but doesn't specifically require a new User Role. Suppliers already have access to the required Service Requests to access and retrieve half-hourly data and the respondent felt they could effectively appoint agents to run those without the need for a new User Role.

Two respondents noted concern with the approach to Privacy Assessments, considering the views that Meter Data Retrievers (MDRs) are looking to use the data for other uses, and noting this depends on the exact business models developed by these parties. SECAS spoke with the MHHS Programme and understands that while this may happen in the future, the intent for the delivery of MHHS is that the MDR will only be collecting data for settlement on behalf of Suppliers. SECAS has requested the MHHS Programme make fully clear to participants the expectations around the MDR role for both MHHS implementation and beyond. Additionally, the MP162 legal text has been drafted on the basis an MDR User can only collect data for settlement for a Supplier; any further changes to what this role could do would require a further SEC modification, under which the need for Privacy Assessments

¹ Enable the DCC to comply at all times with the General Objectives of the DCC (as defined in the DCC Licence), and to efficiently discharge the other obligations imposed upon it by the DCC Licence

² Facilitate Energy Consumers' management of their use of electricity and gas through the provision to them of appropriate information by means of Smart Metering Systems

³ Facilitate the efficient and transparent administration and implementation of this Code

⁴ Facilitate the efficient provision, installation, and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises within Great Britain

⁵ Ensure the protection of Data and the security of Data and Systems in the operation of this Code

would be reassessed. The Panel could also choose to review the need for Privacy Assessments at any time should new information come to light, and request a further modification be raised to progress any changes needed.

Views from Other SEC Parties

Five Other SEC Parties responded believing that MP162 should be rejected, with a sixth providing a confidential response.

Respondents were generally supportive of the new User Role being introduced but noted concerns over the lack of parity in the service level for this compared to existing Users. They noted the TOM requires competition in data collection across all segments, including smart, and the design principle that all participants will be afforded the ability to deliver the same level of service. They considered that MP162's solution would not meet these points.

Respondents noted that the MDR User Role would receive responses to scheduled requests up to 10-20 hours later than the Import Supplier role. They considered this creates a significant advantage for Suppliers collecting the data in-house over those using a third-party MDR, as they would have more time to process data and more time to retry data retrieval should the schedule fail ahead of the first settlement run. This would result in a lower cost to serve overall and unfair advantages around performance management. Similarly, they can benefit from earlier access to that data – for instance for forecasting and in-day trading. They believed this would be detrimental to Objective (d)⁶.

Some respondents felt that progressing MP162 to decision now is premature given the outstanding issues and concerns over how this would impact competition and providing a level playing field which is still being discussed under the wider programme. They also considered they could not approve a change that would introduce competition issues.

Views from Small Suppliers

One Small Supplier responded, choosing to abstain.

The respondent highlighted concerns with MP162 being developed separately and did not believe any changes required for MHHS should be completed outside of the MHHS Programme governance. They also considered that MP162 should be held until a decision has been made as to whether there is likely be a delay with the wider programme, and that this should be included within the MHHS Programme's replanning exercise.

Views from Network Parties

Two Network Parties responded, both choosing to abstain.

The Network Parties agreed the solution would resolve the issue identified with one considering this would better facilitate SEC Objectives (b) and (c). One respondent noted the DCC's transparency over how it intended to manage the scheduled Service Requests to meet the 24 hour Target Response Time (TRT) for these. They acknowledged the question raised over how this fitted with the MHHS programme's level playing field design principle and queried if this might mean MP162 would be detrimental to objective (d). They also queried the impact of overnight reads impacting on Install

⁶ Facilitate effective competition between persons engaged in, or in Commercial Activities connected with, the Supply of Energy

and Commissioning (I&C) processes, noting the MHHS go-live date was expected to be around the same time as the smart metering rollout end date.

The other respondent felt MP162 did not consider the whole system impact of multiple SEC Users attempting to retrieve half-hourly consumption data from smart meters. They also noted the MHHS Programme's design being re-baselining and considered this an opportunity to return MP162 to the Refinement Process where this wider capacity impact could be brought into scope. Both respondents also noted the wider concerns raised by other Party Categories and felt MP162 is not yet able to be approved.

One respondent also noted the dependency on Retail Energy Code (REC) Change Proposal [R0044 'MHHS Programme Changes required to Central Switching Service'](#)⁷, and raised concerns that this change hadn't progressed far enough for them to understand the full end-to-end process.

⁷ You will need to log into the REC Portal to access this page