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Smart Markets Project Update

1. Purpose

The Smart Energy Code (SEC), along with other Codes, are providing resource support for Ofgem's Faster Switching Programme. This paper provides the SEC Panel and Parties with a monthly overview of the key activities of the Ofgem Switching Programme Subject Matter Experts (SMEs) provided by SEC. The paper also covers other updates from the Programme that may be relevant to Parties. The Panel is requested to note the contents of this paper.

2. Design Authority

A design authority meeting was held on 29 January 2019 and the following Change Requests (CR) were discussed and approved:

- **CR-E16 – Primary Meter Asset**[1]

  This CR was raised to allow all Meter Asset Providers (MAPs) associated to a Meter Point Administration Number (MPAN), to receive notifications of a switch. The change will allow MAPs to invoice more efficiently.

- **CR-E21 – Service Management Requirements**[2]

  The change was requested to split the requirements applicable to Central Switching Service (CSS) Service Providers, and those applicable to the existing providers of Central Data Services as well as amending the wording to add further clarity.

- **CR-E27 – Service Management System Non-Functional Requirements**[3]

  The change was requested to make additions to the Service Management Tools Non-Functional Requirements (D-10.4).

- **CR-E28 – Service Management Tools Requirements**[4]

  A number of required changes were identified upon review of the Service Management System (SMS) and the Service Portal requirements (Service Management Tools

[1] Ofgem, 'CR-E16 Primary Meter Asset Electricity', February 2019
[2] Ofgem, 'CR-E21 Service Management Requirements', February 2019
[3] Ofgem, 'CR-E27 Service Management System Non Functional Requirements', February 2019
[4] Ofgem, 'CR-E28 Service Management Tools Requirements', February 2019

Requirements D-10.4). The changes will give providers a clearer understanding of the requirements ahead of the tender pack issuance for Project 4 (Service Management System).

- **CR-E29 – Change to Geographical Location**[5]

  A change was requested to make amendments to the geographic location of provided services in D-10.2 Service Management Requirements spreadsheet V1.0.

3. Switching Program Way Forward Decision

On 1 February 2019 Ofgem released a decision document titled: Way Forward on the Development of the Retail Energy Code and Retail Code Consolidation[6]. The document sets out the way forward on the policy questions asked relating to v2.0 and v3.0 of the Retail Energy Code (REC), on consolidation of the existing retail codes and provides a summary of respondents' comments on the material from previous consultations.

Responses to questions on the enduring REC governance included more developed thinking on the enduring governance arrangements for the REC; such as the main governance bodies, the RECCo Board, the REC Manager and the REC Panel, as well as the Performance Assurance Board and the change management process.

Key items of interest to SEC are:

- REC v2.0 will include the requirements for the enduring operation of the new switching arrangements.
- Ofgem aims to reduce retail governance complexity, and to do this the REC will replace the existing retail codes rather than simply add to their number. Ofgem have proposed to take the lead on this consolidation work and to progress it alongside the Switching Programme so long as it does not impede the delivery of faster and more reliable switching.
- Ofgem responded to questions on the delivery of retail code consolidation. Ofgem outlined how they intend to deliver REC v2.0 and v3.0, working on both areas in parallel along with the consequential modifications to current industry codes.
- Ofgem have initiated a further project to develop schedules for REC v3.0, as outlined in the October 2018 consultation. Schedules will be considered by the Switching Programme regulatory working group. A complete package of schedules will be subject to a further consultation in the spring.
- Ofgem will not issue Significant Code Review (SCR) conclusions following consultation on the text for the REC. Instead, they will initiate a phase of maintenance of the REC Schedules, to continue through to the point at which systems testing has been successfully exited, a go-live decision has been made, and the date of that go-live is known.
- A full consultation on the scope for further retail code consolidation SCR is expected in the spring of 2019.

[5] Ofgem, 'CR-E29 Change to Geographic location', February 2019
[6] Ofgem, 'Decision: REC Way Forward' , February 2019

4. Programme Co-ordinator Introductory Events

Ofgem held two Switching Programme Industry Events, the first was held in London on 11 February 2019, the second was held in Birmingham on 18 February 2019. The events' aim was to inform programme participants about the programme, their role in its delivery and the planned activities for 2019. The events were oriented around:

- Understanding the Role of the Programme Coordinator: to outline the approach, how they will engage with industry and understand the expectations of Programme Participants.
- Understanding the 2019 Plan: to outline key milestones and what are the expectations on the programme participants.
- Understanding the New Governance Arrangements: so that the programme participants understand the governance transition and the role they may need to play in new forums.
- Understanding the Switching Success Factors: to obtain industry feedback and explain the role they will play in the delivery of the Programme.

5. Design Forum

A Design Forum meeting was held on 11 February 2019 and CR E24 (Decommissioning of the Registration Data provider (RDP) to Data Service Provider (DSP) gateway) was discussed.

Jenny Booth (Ofgem) and Iain Marshall (DCC) confirmed that they would be attending the TABASC meeting on Thursday, 21 February to discuss the change in more detail.

One of the issues discussed was the question of validation and how that would be conducted as data is moved between parties through the proposed gateways. It was confirmed that the CSS would not be acting as a conduit for the data and would load the data.

6. Technical Architecture and Business Architecture Sub-Committee (TABASC) Meeting

The following points of discussion that were raised at the TABASC on CR-E24 include:

- Ofgem and the DCC presented an update on the CR highlighting that the CSS will be the owner and master of all registration data for Gas and Electricity.
- The CSS will interface with DSP and notify any data changes and DSP will notify CSS of installation updates.
- The DCC noted that full changes would be implemented around 9 months after CSS go-live, however this is subject to a cost benefit analysis.
- The TABASC supported the architectural approach proposed, subject to costings which were not available. However, they noted that they expect the DSP changes to be built in from the beginning, thereby avoid necessitating another DSP change in future and keeping the costs down.

CR-E24 will be brought back to the Design Forum where the forum will have another opportunity to feed into the Impact Assessment of the CR with a view to make a recommendation on the next steps for the CR. The next Design Forum meeting is scheduled for 12 March 2019.

7. Data Working Group (DWG)

A Data Working Group meeting was held on 21 February 2019. Key items that were raised and of interest to the SEC Panel are:

- The DCC provided an update on the logical data model. Necessary changes were confirmed by the DCC. Changes were identified for the logical data model to amend data descriptions. The changes will be combined into a CR which is being raised with the Design Forum.
- A reporting template was introduced to the group to be used to report on the progress made in data cleansing activities for Gas and Electricity. The data cleansing activities on related MPAN will have a hard deadline. Other data cleansing should be started now but will continue after migration. In addition to this, the template also has sections for reporting progress against consequential changes, data item creation, Electricity Central Online Enquiry Service (ECOES) and Design Build and Test (DBT) activity.
- The Switching Programme is currently in DBT mobilisation, with pending appointments of the System Integrator (SI) and CSS Provider. The DBT mobilisation plan will be baselined by 31 May 2019 and the DBT phase – Physical Data Model & Interface Design will be baselined by 31 July 2019.
- Ofgem have created a risk register containing data risks that the industry has raised. They will present a revised version of the risk register at the next DWG.

The next DWG meeting is scheduled for 21 March 2019.

8. Working Support to Ofgem

By far the largest effort this month by SEC SMEs has been on meeting attendance or review of material provided at or for these meetings.

In line with the effort as set out above, a total of **9.5** days has been expended on the project by the SECAS SMEs.

9. Recommendations

The Panel is requested to **NOTE** the contents of this paper.

Hannah Brissenden

Smarter Markets Team

8 March 2019