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Smarter 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). 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. Ofgem Procurement Update

On 6 March 2019 Ofgem released Issue 4 of their Switching Programme Newsletter. In this issue it was announced that the Data Communications Company (DCC) have now completed the procurement process for the Systems Integrator (SI). The contract for the SI has been awarded to Netcompany, who are in the process of onboarding to the Programme. The SI will be responsible for coordinating the Design, Build and Test (DBT) phase activity of the Switching Programme between existing and new system providers.

3. Regulatory Design User Group (RDUG)

On 25 March 2019 RDUG met. Points of interest to SEC are:

The RECCo Board formally met for the first time on 18 March. The RECCo is now formally able to take over funding for support roles. The Board agreed on a 2019/20 budget and a letter, which includes an introduction to RECCo, the budget and an invoice, which will be sent out to all parties shortly.

Two new projects have been added to the budget. Mi Data, the government run programme working with industry to give consumers access to their data, added £500k into budget and £100k was added for Metering governance, with the intention of bringing governance into one place and enhancing performance assurance to metering agents.

Ofgem's next consultation, planned for May 2019, was discussed and the chapters were outlined as:

- REC 2 governance
- Operational schedules - 10 schedules and a technical specification approach document

- Consequential code changes and SCR1 – will give detail on all the changes
- Code consolidation and SCR2
- Licence changes
- Plan and next steps

The key themes of the consultation will be discussed at the April RDUG along with a walkthrough of the REC legal drafting. It was expected that the legal drafting of consequential code implications will be manged by the relevant codes where required.

4. Design Forum Meetings

Design Forum meetings were held on 11 and 25 March 2019. The following Change Requests (CRs) were discussed.

i. CR-E24[1] - Decommissioning of the RDP to DSP Gateway

The DCC confirmed that there are no changes to D-flows and noted that if people are using the D-flows (such as D0350) for other purposes, they will have to make new arrangements with Meter Point Registration Service (MPRS).

It was confirmed to the forum that this CR will not take effect from Central Switching Service (CSS) go live, but at a period to be agreed once the new switching arrangements are bedded in. The DCC indicated that the CSS need the Smart Meter status as part of the standstill period functionality and that the design already allows for this information to flow from the DSP.

Suppliers raised concerns about the cost / benefit of the change. It was recommended that CR-E24 would progress to Design Authority approval, once the cost impacts were received.

ii. A set of four CRs,

- **CR-E33[2] - Updates to E2E and CSS Design Products,**
- **CR-E34[3] - Updates to functional and non-functional Requirements,**
- **CR-E35[4] - Incremental Updates to the Data Components of the ABACUS Switching Model and**
- **CR-E36[5] - Incremental changes to the Switching Design Repository**

Combining 67 changes to the design products was raised by the DCC. The bulk of changes are to the design repository tool, ABACUS. Ofgem welcomed feedback on CRs and updated documents had been circulated. The CRs were approved for Design Authority decision on 29 March 2019.

The changes essentially implemented the removal of interface information from the CSS documentation, in favour of 'messaging model' information, which provides better granularity around the data items moving between systems.

[1] Ofgem, 'Decommissioning of Existing (SEC) Registration Data Provider Communication Links'
[2] Ofgem, 'Updates to E2E and CSS Design Products'
[3] Ofgem, 'Updates to functional and non-functional Requirements'
[4] Ofgem, 'Incremental Updates to the Data Components of the ABACUS Switching Model'
[5] Ofgem, 'Incremental changes to the Switching Design Repository'

iii. CR-E37 – Retrospectively updating MPANs Import/Export Indicator

This change requests that the CSS design be updated to allow Distribution Network Operators (DNOs) to update the import/export status of a supply retrospectively via the Meter Point Administration Service (MPAS). The CR was approved for decision by the Design Authority, pending clarification that it is a measure to only be used to rectify errors.

iv. Switching Market Domain Data

The Design Forum further discussed Switching Domain Data options. A change will be raised in line with Ofgem's favoured option. Essentially the change will reflect that Market Domain Data will be managed by Xoserve for gas and Elexon for electricity and not within the REC.

5. Consequential Changes from the implementation of the CSS and the REC

The legal drafting of the consequential changes to the SEC has been shared with the DCC. The next phase of this work is to understand the impacts on the interfaces between the Smart DSP (Data Service Provider) and the RDP's (Registration Data Provider).

Ofgem plan to include the details of the consequential changes to all affected retail codes in their next Switching Programme consultation, which is currently scheduled for publication in May. Ofgem will require an update on the status of this work in April in order to feed into their consultation. A baselined version of REC v2.0 (Retail Energy Code) will also be included within that consultation.

6. 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 12 days has been expended on the project by the SECAS SMEs.

7. Recommendations

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

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5 April 2019