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Action:	For Discussion

DP162 Initial Feedback

1. Purpose

This paper provides a summary of new Draft Proposal [DP162 'SEC changes required to deliver MHHS'](#).

We seek any initial views and comments the Operations Group (OPSG) may have on this modification at this stage of the framework.

2. Summary of DP162

This section summarises the key points of this Draft Proposal. More information is available in the draft Modification Report in Appendix A.

2.1 Issue

As the smart metering rollout continues, there will be more and more premises with Electricity Smart Metering Equipment (ESME) installed capable of recording consumption in each half-hour period. Ofgem's [Electricity Settlement Reform Significant Code Review](#) (SCR) has concluded that settling all consumers on a half-hourly basis would bring net benefits of up to £4.5bn by 2045¹. It has therefore concluded that Suppliers should be mandated to settle their customers on a half-hourly basis.

Delivering the full solution for market-wide half-hourly settlement (MHHS) will require changes to the Smart Energy Code (SEC) and to the DCC Systems. Ofgem has [requested the DCC raise this SEC modification](#) to progress and deliver these changes.

2.2 Ofgem's target operating model

During the SCR, Ofgem has developed its target operating model (TOM) for how the full MHHS solution should be delivered. The SEC and the DCC Systems changes will need to deliver the requirements set out in the TOM.

¹ Please see Ofgem's [final business case and decision to implement market-wide half-hourly settlement](#) for more details.

This modification will cover all the SEC changes required to deliver the MHHS solution, which are expected to include:

- The introduction of a new User Role for Parties carrying out the Meter Data Retrieval (MDR) service.
- Defining the relevant Service Requests the new User Role will have access to and the associated Target Response Times and testing scenarios.
- The associated security and data privacy arrangements that will apply to the new User Role.
- The User Entry Process requirements for the new User Role.

The full detailed business requirements, the solution to deliver these, and the assessment of the impacts, costs and lead times to deliver the agreed solution will be developed and assessed as part of the Refinement Process.

3. Questions for the OPSG

We seek the OPSG's view on the following questions:

- Is the issue or problem statement clearly defined?
- Are there any comments on the expected impacted areas that we need to account for when developing the business requirements?

4. Next steps

Due to the extensive discussions that have taken place on the issue under the SCR, the Development Stage can be kept short. We are also consulting with the Technical Architecture and Business Architecture Sub-Committee (TABASC) and the Security Sub-Committee (SSC) to provide any initial comments on the modification now it has been raised. We will be recommending the Panel progresses this proposal to the Refinement Process at the June 2021 Panel meeting.

In parallel with this work, we will begin work with the DCC, Ofgem and Elexon to develop the detailed business requirements based on the TOM requirements. We expect to be able to discuss these with the Working Group and the Sub-Committees in early July 2021.

5. Recommendations

The OPSG is asked to **PROVIDE** any initial views and comments on the questions set out in this paper.

David Kemp

SECAS Team, 25 May 2021

Attachments:

- **Appendix A:** DP162 Modification Report v0.1