RETAIL ENERGY CODE

This document is classified as **WHITE**.
Information is for public, unrestricted dissemination and publication.

| | |
|---|---|
| 01 | Proposal Plan |
| 02 | Impact Assessment |
| 03 | Consultation |
| **04** | **Final Recommendation** |

# CHANGE REPORT

## R0209 – IMPLEMENTATION OF MARKET-WIDE HALF HOURLY SETTLEMENT (MHHS) ARRANGEMENTS

| | |
|---|---|
| **DOCUMENT VERSION** | 1.0 |
| **PROPOSED IMPLEMENTATION DATE** | Date determined by the Authority in line with MHHS Programme Milestone M8 'Code changes delivered' |
| **IMPLEMENTATION APPROACH** | BIG BANG |

| | | | |
|---|---|---|---|
| **RESPONSIBLE COMMITTEE** | CHANGE PANEL | **CHANGE PATH** | AUTHORITY DETERMINED |
| **PRIORITY STATUS** | CRITICAL | **URGENCY** | STANDARD |
| **IMPACTED STAKEHOLDERS** | ENERGY SUPPLIERS, DISTRIBUTION NETWORK OPERATORS, GAS TRANSPORTERS, METERING EQUIPMENT MANAGERS, SHIPPERS, DATA COLLECTORS, DATA AGGREGATORS, EES USERS, ALL REC SERVICE PROVIDERS | | |

| LEAD ANALYST (SOLUTION LEAD) | TECHNICAL LEAD | ASSURANCE LEAD | SUBJECT MATTER EXPERT |
|---|---|---|---|
| HARRIET TRUSS | BETH BROWN | VAISHNAVI SHARMA | LORNA MALLON |
| Click to send an email | Click to send an email | Click to send an email | Click to send an email |

## OVERVIEW

This Authority Change Proposal was raised by Ofgem pursuant to the Electricity Settlement Reform Significant Code Review. It will ensure that the appropriate obligations, processes and provisions for the new MHHS arrangements, which have been developed and consulted on as part of the MHHS Programme, are introduced into the REC.

RETAIL ENERGY CODE

## CODE MANAGER RECOMMENDATION

The Code Manager recommends that the REC Change Panel recommends the Authority to:

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date that will be the date determined by the Authority in line with the MHHS Programme Milestone M8 'Code changes delivered'.

## CONTENTS


Code Manager Recommendation ..... 2
1 Summary ..... 3
2 Problem Statement ..... 3
3 Impacts ..... 3
4 Cross-Code Impacts ..... 5
5 Proposal plan ..... 5
6 Stakeholder Engagement ..... 6
7 Priority Status and Urgency ..... 6
8 Proposed Solution ..... 7
9 Draft Legal Text ..... 7
10 Risks, Assumptions, Issues and Dependencies ..... 8
11 Business Case Assessment ..... 11
12 Case for Change ..... 12
13 Summary of Consultation Responses ..... 13
14 Summary of Amendments Made Following Consultation ..... 14
15 Appendix ..... 15
Glossary ..... 17

RETAIL ENERGY CODE

# BACKGROUND

## 1 SUMMARY

The existing electricity settlement processes are set out in the Balancing and Settlement Code (BSC) with supporting processes and information set out in other codes, such as the Retail Energy Code (REC), the Smart Energy Code (SEC), the Distribution Connection and Use of System Agreement (DCUSA) and the Connection and Use of System Code (CUSC). Implementation of Market-wide Half Hourly Settlement (MHHS) is being delivered through Ofgem's Electricity Settlement Reform Significant Code Review (SCR). In 2021, Ofgem estimated quantified net benefits for Consumers of up to £4.5bn by 2045 as a result of introducing MHHS. This has been further supported by an additional assessment by Ofgem in 2024, as detailed in the business case assessment in this report. Implementation of the MHHS arrangements will impact several different Industry Codes and the parties to those Codes.

This Authority Change Proposal (CP), raised as part of the SCR, will ensure that the appropriate obligations, processes and provisions are defined within the REC, enabling a successful transition to enduring governance and operational arrangements.

The impacted REC products have been developed and extensively consulted on as part of the MHHS Programme, as set out in Ofgem's letter to the Code Manager, dated 04 September 2024. Ofgem's letter also sets out the timetable for the CP, with a proposed implementation date in line with MHHS Programme Milestone M8 'Code changes delivered'.

## 2 PROBLEM STATEMENT

Changes are required to the REC, to ensure that the appropriate obligations, processes and provisions are defined within the REC at MHHS go-live, to enable the successful transition to the enduring governance and operational arrangements developed as part of the MHHS Programme.

## 3 IMPACTS

| CONSUMERS |
|---|
| All Electricity Consumers |

| REC SERVICE PROVIDERS |
|---|
| Electricity Enquiry Service |
| Electricity Retail Data Service |
| Central Switching Service |

| RECCO / REC CODE MANAGER |
|---|
| RECCo |
| All REC Code Managers |

| REC PARTIES AND SERVICE USERS |
|---|
| Energy Suppliers |
| Distribution Network Operators |

| REC DOCUMENTS / PRODUCTS | |
|---|---|
| Interpretations and Definitions Schedule | EES Service Definition |
| Qualification and Maintenance Schedule | ERDS Service Definition |

| | | |
|---|---|---|
| Metering Equipment Managers | Market Exit Schedule | Schedule XX - MHHS Migration |
| EES Users | Data Access Schedule | Data Specification:<br>Market Messages Data Items |
| Data Communications Company | Metering Operations Schedule | EES API Technical Specification |
| | Metering Accreditation Schedule | Standard Definitions Document |
| | Registration Services Schedule | |
| | Related Metering Points Schedule | |
| | Address Management Schedule | |
| | Switching Data Management Schedule | |
| | RMP Lifecycle Schedule | |
| | Resolution of Consumer Facing Switching and Billing Issues Schedule | |
| | Consolidated Metering Code of Practice (CoMCoP) | |

All Electricity market participants are impacted by the changes being delivered under the MHHS Programme. The REC Parties and Service Users identified above are those directly impacted by the REC code drafting.

All REC Category 1 and 2 documents and products are in scope of the MHHS Programme code workstream. Those listed above are those which are impacted.

The Electricity Enquiry Service (EES), Electricity Retail Data Service (ERDS), and Central Switching Service (CSS) and their Service Providers are all impacted by the changes to the REC. The technical delivery and testing of the impacts to these services have been managed through the MHHS Programme and the RECCo MHHS programme.

All EES Users are impacted by the changes that are being implemented for MHHS.

Changes required to EES data access will be progressed through a separate Category 3 CP.

For gas parties, although there has been no change in obligations held within the REC, the structure or content approach have been amended in the following schedules:

- Schedule 14 – Metering Operations
- Schedule 30 - Resolution of Consumer Facing Switching and Billing Issues

REC Category 3 documents are out of scope of the MHHS code drafting activity and any necessary updates to Category 3 documents are being managed separately under REC Category 3 change governance.

## 4 CROSS-CODE IMPACTS

Engagement between the Code Bodies and the MHHS Programme has been integral to the development of the changes considered within this CP. RECCo and the REC Code Manager have been directly involved in cross code alignment and engagement managed under the MHHS Programme code workstream.

The associated BSC Modification, P478 Implementation of MHHS Arrangements was published on 04 September 2024. The DCUSA change, DCP 445: Implementation of Market-wide Half Hourly Settlement (MHHS) Arrangements, was published on 19 September 2024.

In addition to these changes to implement the MHHS code drafting, BSC Modification P474 Governance, funding and operation of the DIP was implemented on 1 October 2024. This modification has put in place the DIP Rules, consisting of a new section to the BSC and seven new subsidiary documents. They specify obligations relating to the use of the DIP, which are essential to the end-to-end MHHS design.

## 5 PROPOSAL PLAN

| Milestone | Activity | From | To |
|---|---|---|---|
| **Change Proposal** | | **05-Sep-24** | **07-Nov-24** |
| | Consultation | September | October |
| | Final Determination | October | October |
| **Voting** | | **05-Nov-24** | **05-Nov-24** |
| | Issued for Authority Determination | 07-Nov-24 | 07-Nov-24 |

This CP is necessary to implement the MHHS arrangements. To do this according to the timetable set out in the MHHS Implementation Plan, it is necessary to progress the process stages in a compressed, fixed timeframe. Rather than seeking to apply the Urgency criteria under 'business as usual' code change processes, Ofgem has used its SCR powers to direct the CP timeline as set out in its letter to the Code Manager on this CP, dated 4 September 2024.

The timeline requires progression of the CP such that a recommendation from the REC Change Panel will be sent to the Authority by 07 November 2024. Meeting this deadline will facilitate an Authority decision on the CP by 11 December 2024 (the M7 deadline set out in the MHHS Implementation Plan).

The plan set out above ensures that the REC Code Manager can meet that timeline.

## 6 STAKEHOLDER ENGAGEMENT

Engagement with industry on the development of the changes within this CP has been through the MHHS Programme code workstream as set out below in Section 8 Proposed Solution.

A 15 Working Day consultation will be published to offer industry an opportunity to respond to the proposed solution, the case for change and the Code Manager's minded to recommendation.

## 7 PRIORITY STATUS AND URGENCY

| Category | Significance / Resource impacts / Urgency | Further selection / breakdown | Score (0-3) | Weighting | Weighted Score |
|---|---|---|---|---|---|
| **Impacts** | Consumer Impact | Direct | 2 | 25 | 50 |
| | Retail Markets Impact | Innovation and Market Arrangements | 3 | 15 | 45 |
| | RECCo / REC Party / REC Service Provider Impact | Operational Effectiveness and Efficiencies | 1 | 5 | 5 |
| | | Legal and Regulatory Compliance | 3 | 13 | 38 |
| **Resource** | Complexity / Effort / Duration | | 3 | 8 | 23 |
| **Strategic Alignment** | Contribution to/ Alignment with the objectives of the REC | | 3 | 15 | 23 |
| | Contribution to/ Alignment with RECCo's Forward Work Plan | | 2 | | 15 |
| **Urgency** *(The need to progress a change to meet a targeted date)* | | Significant Code Reviews | 3 | 20 | 60 |
| | | | | **Overall Priority Score (rounded)** | 258 |

| | |
|---|---|
| **Priority Status** | CRITICAL |
| **Change Proposal Type** | STANDARD |

RETAIL ENERGY CODE

# SOLUTION

## 8 PROPOSED SOLUTION

The proposed solution for R0209 is to update the REC according to the MHHS Code Artefacts, baselined at MHHS Milestone M6, notwithstanding additional change identified under R0209 itself. Additional changes identified for progression under R0209 are to:

- reflect approved CPs;
- correct typographical errors;
- correct incorrectly assigned Scenario Variants (SVs); and,
- provide missing references or clarification.

Further detail can be found in the attached solution development report here.

## 9 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0209 can be found here.

The following notes should be considered when consulting the legal text:

| NO. | NOTE |
|---|---|
| Legal text note 1 | All documents and files that were baselined under the MHHS Programme have been set to version 1.0 for the purposes of this CP. Any required amendments identified during the REC change process have been captured as incremental changes to version 1.0. This approach will provide a clear and consistent demarcation on the governance of the legal drafting taken forward for approval. |
| Legal text note 2 | All the proposed changes to REC documents are provided as redline changes other than the following:<br>• Schedule xx: MHHS Migration – this is a completely new REC schedule.<br>• Schedule 14: Metering Operations – the changes to this schedule are extensive and have involved the splitting out of the gas and electricity requirements. Because of the scale of the change, it has been decided to present this schedule as a full replacement of the previous version. |
| Legal text note 3 | Early in the development of the code drafting it was proposed that there would be a separate Transition Schedule that would capture the existing non-MHHS obligations. As a result of industry consultation, the approach was changed to include both the non-MHHS and MHHS drafting in each of |

| | |
|---|---|
| | the REC documents. As a result, there is some redlining in the drafting that will show where text has been removed but added back in. |
| Legal text note 4 | The Energy Market Data Specification (EMDS) drafting for Market Messages includes all the SVs and Data Items impacted by MHHS, regardless of Code Body ownership. For the purposes of MHHS code drafting the EMDS drafting for the REC, BSC and DCUSA has been provided as one set in an HTML file. The same file will be shared as part of the changes under all three codes. |
| Legal text note 5 | The version of the EMDS drafting included in the proposed legal text is v1.1, which includes the corrected AMVLP SVs. |
| Legal text note 6 | The version of Schedule 14 drafting included in the proposed legal text is v1.2, which includes:<br>• R0192 housekeeping updates<br>• R0121 SDEP message references<br>• Proposed corrections identified by the Code Manager post-M6<br>• Missed drafting identified by the Code Manager post-R0209 consultation |
| Legal text note 7 | The version of Schedule XX – MHHS Migration included in the proposed legal text is v1.2, which includes:<br>• Required corrections identified by the Code Manager post-M6<br>• Remove references to the MHHS Transition Schedule |

# 10 RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

## 10.1 RISKS AND ISSUES

| NO. | RISK | NOTES | MITIGATION |
|---|---|---|---|
| R0209.R001 | Additional drafting requirements identified to ensure the end-to-end industry arrangements are fit for purpose, which have not been included in R0209 are not progressed and approved under a separate CP | There are two sources of additional change that could be required:<br>1) linked to MHHS Design Changes after the drafting was approved by CCAG at M6<br>2) additional amendments to the legal text that are needed to ensure that the code drafting matches the MHHS design | The Code Manager is keeping a record of additional drafting requirements and will work with RECCo and the Programme to progress the changes through a future CP also to be implemented at Milestone M8 |

| | | | |
|---|---|---|---|
| | | Some drafting requirements identified during consultation have been excluded from R0209 due to the need develop and consult on the changes. This is not possible under the required Proposal Plan, which has been set to meet the MHHS Programme Plan | |

No issues have been identified.

## 10.2 ASSUMPTIONS AND DEPENDENCIES

| NO. | ASSUMPTION | NOTES | HOW/WHEN TO VALIDATE |
|---|---|---|---|
| R0209.A001 | Progression of this CP does not restrict Ofgem's ability to deliver further changes via Change Proposal under the same SCR. | | Closed – In Ofgem direction letter of 04 September 2024 |
| R0209.A002 | The Authority will approve this CP on or before the associated MHHS Programme Milestone 7 | This was updated in the MHHS Programme Plan to 11 December 2024 to ensure it could be met and is being tracked under the MHHS Programme | Closed – MHHS Implementation Plan |
| R0209.A003 | Any change to the M10/ M8 go live compared to the current plan (07 March 2025) will be assessed by the Code Manager outside of this CP | The Code Manager has assessed the timelines proposed by Programme Change Request CR-055, and recommended by Programme Steering Group (PSG) for approval at its meeting on 18 October 2024, and confirmed R0209 can be delivered on the new M8/M10 date of 24 September 2025 | Open – a decision by Ofgem on the PSG recommendation is expected in early December 2024 |
| R0209.A004 | Any amendments to the MHHS drafting that are material changes will need to go through industry consultation and cannot therefore be included in R0209 due to its directed timetable | Examples<br>– amendments required by an update to the MHHS Design<br>– as a correction to the Code Drafting so that it reflects the MHHS Design | Closed |

| | | | |
|---|---|---|---|
| R0209.A005 | An additional REC CP will be raised to deliver any additional amendments to the REC MHHS drafting that are required for go-live | Any additional amendments will be developed against the drafting approved at Milestone M7 | Open – The Code Manager and RECCo will work with REC stakeholders and the Programme to progress the CP at the most suitable time to enable only one CP being required ahead of M8 |
| R0209.A006 | The REC MHHS drafting approved for baselining at M6 includes drafting to cover design updates included in all interim releases up to and including IR8.1 | | Closed |

| NO. | DEPENDENCY | NOTES | STATUS |
|---|---|---|---|
| R0209.D001 | The successful implementation of the REC proposed solution is directly dependent on the associated approval and implementation of the modifications under the BSC and DCUSA | Being managed via the MHHS Programme and the Authority through the expected simultaneous approval of the code changes through the SCR process | Open |
| R0209.D002 | The successful implementation of R0209 has a direct dependency on the implementation of R0044 and R0097 which provide the solution for sharing Smart Meter Data Retriever appointment data | R0044 and R0097 also have implementation dates aligned to MHHS Programme Milestone M8 | Open |
| R0209.D003 | The successful implementation of R0209 has a direct dependency on the DIP Rules implemented by P474 on 01 October 2024 | Further updates, which are being progressed by the DIP Manager, are required to ensure that the DIP Rules fully reflect the MHHS Design | Open |

RETAIL ENERGY CODE

# PRELIMINARY ASSESSMENT

## 11 BUSINESS CASE ASSESSMENT

The business case for this change is linked to the delivery of the MHHS Target Operating Model. As noted above, Ofgem's Final IA estimated quantified net benefits to GB energy consumers of £1.6bn to £4.5bn over the period 2021-45. The Final IA also noted that implementing MHHS (including third party access to HH consumption data) should deliver significant additional benefits that could not be quantified in advance arising from increased competition, innovation and consumer choice. As part of the Final IA, Ofgem sought to estimate the costs of implementing and operating under the new MHHS arrangements. Ofgem's central cost estimate was £541.3m over the period 2021-2045.

Earlier this year, to facilitate an assessment of the impact of the MHHS-related code modifications, Ofgem asked the MHHS Programme to seek information on a voluntary basis from Programme Participants about the costs of implementing and operating under the new MHHS arrangements. On 24 May 2024, MHHS Programme issued a Programme Participant Information Request (PPIR). The deadline for responses was 5 July 2024. There were 16 responses, mainly from suppliers and network businesses. Ofgem reviewed the responses and have also taken into consideration Elexon's included and planned Programme Management costs, all of which are recovered from Energy Suppliers.

The responses effectively represented a small 'sample' of the industry. Ofgem noted that from those responses to estimate costs for the whole market is very difficult and risks not being statistically valid. However, based on the limited data Ofgem received, it concluded that the costs to the network businesses of implementing and operating under MHHS are significantly greater than previously estimated. Network costs, though, are only a small proportion of the total costs of implementing MHHS. In addition, costs to Energy Suppliers - which represent a much larger proportion of total implementation costs - do not seem to have changed significantly. After taking actual and potential increases into account, Ofgem noted that the total implementation costs still remain an order of magnitude lower than the quantified benefits that Ofgem estimated would result from introducing MHHS (to which the benefits that are not quantifiable would be added). Ofgem therefore remains of the view that MHHS can be expected to deliver significant net benefits to energy consumers in Britain.

| COSTS | COSTS |
|---|---|
| PARTIES | Costs of MHHS for REC Parties have been considered in the Ofgem Final IA outlined above. |
| SERVICE PROVIDERS | Impacts of MHHS for all REC Service Providers are being managed through the MHHS Programme and/or directly through the RECCo MHHS programme and costs have been considered in the Ofgem Final IA outlined above. |
| CODE MANAGERS | Impacts of MHHS for the REC Code Managers are being managed directly through the RECCo MHHS programme and costs have been considered in the Ofgem Final IA outlined above. |

No additional costs were identified during Consultation as a result of the additional amendments made under R0209.

| BENEFITS | BENEFITS DESCRIPTION |
|---|---|
| MHHS PROGRAMME | Definition of the obligations, processes and provisions within the REC is a key component to the delivery of the MHHS Target Operating Model and will enable positive Consumer impacts to billing accuracy, trust and confidence, security of supply and ability to pay. |

## 12 CASE FOR CHANGE

The Code Manager believes that R0209 better facilitates the following REC Objectives:

| OBJECTIVE | IMPACT TYPE | DESCRIPTION AND JUSTIFICATION |
|---|---|---|
| To ensure the REC operates and evolves in a manner that facilitates the achievement of its mission statement[1] | Positive | This CP will better facilitate this objective as it will ensure that the REC will have evolved and can operate during the transition to and under the enduring governance and operational arrangements for MHHS. |
| To ensure customers interests and data is protected in the operation of the REC | Positive | Ofgem has estimated that the MHHS programme will deliver significant benefits to Consumers (net consumer benefits of between £1.6bn and £4.5bn over the period 2021-2045). RECCo and the Code Manager's role in the development of the code drafting has ensured Consumer interests and data protection has been considered during the code drafting process. |
| To drive continuous improvements and efficiencies in the operation of the REC and the central systems and communication infrastructures it governs | Positive | This CP, through its delivery of the MHHS Design requirements across the REC under one programme has enabled aligned development of central systems and communication infrastructures. |

[1] REC Mission Statement

# 13 SUMMARY OF CONSULTATION RESPONSES

A consultation was circulated on 18 September 2024 to obtain views on the Change Report Link. In total six full responses were received from Suppliers, DNOs and a MEMs, of which one was anonymous. One high level response, from a DNO, was also provided to the Code Manager which expressed support for implementation of the change in the timelines proposed.

The key themes from the responses have been summarised and set out below.

## 13.1 SOLUTION AND PROPOSED LEGAL TEXT

Five of the responses agreed with the proposed solution to implement the code drafting developed under the MHHS programme, with three responses particularly supporting the drafting process and input by stakeholders into that process.

One response included a comment each against Schedule 23 – Registration Services and Schedule 28 – Related Metering Points.

### 13.1.1 CORRECTION OF AMVLP SCENARIO VARIANTS

All responses supported the inclusion of the correction to the AMVLP SVs which have been proposed in R0209, after the drafting was baselined at Programme Milestone M6 by the MHHS Programme.

### 13.1.2 ADDITIONAL DRAFTING IN SCHEDULE 14 AND SCHEDULE XX

All responses supported the proposed additional redlined text in Schedule 14 – Metering Operations.

Five responses supported the proposed additional redlined text in Schedule XX – Migration. One response included three comments on Schedule XX, but they agreed with the additional redlined text itself.

## 13.2 COSTS OVER AND ABOVE MHHS DELIVERY PLANS

All respondents confirmed that they do not foresee any additional costs to their organisation as a result of R0209 over and above those already considered in their MHHS delivery plans.

## 13.3 IMPLEMENTATION DATE AND APPROACH

All responses supported the proposed implementation approach and alignment to MHHS Milestone M8. One response noted that implementation of this change would need to factor in any recalibration of the overall Programme Plan and movement in milestones.

## 13.4 CASE FOR CHANGE AND CODE MANAGER'S RECOMMENDATION

All responses supported the Case for Change and the resulting Code Manager's recommendation that R0209 should be approved for implementation at MHHS Programme Milestone M8.

## 14 SUMMARY OF AMENDMENTS MADE FOLLOWING CONSULTATION

| DOCUMENT | SECTION | AMENDMENT | REASON |
|---|---|---|---|
| Change Report | 8 – Proposed Solution | Expansion to include consideration of post-Consultation updates | Capture approach to additional drafting requirements identified during Consultation |
| Solution Development Report | 2.4 | New section: Updates Included in R0209 Following Consultation | To capture inclusion of post-Consultation amendments in R0209 legal text for decision |
| Solution Development Report | 2.5 | New section: Updates Identified During Consultation Not Included in R0209 | To capture amendments that are required for implementation alongside R0209 but that cannot be included in the R0209 approval |
| Change Report | 9 – Draft Legal Text | Version of Schedule 14 referenced in 'Legal text note 6' updated to v1.2<br><br>Version of Schedule XX referenced in 'Legal text note 7' updated to v1.2 | Schedule 14 v1.2 created to capture amendments identified during Consultation.<br><br>Schedule XX v1.2 created to capture amendments identified during Consultation |
| Legal text | Schedule 1 | Three housekeeping amendments | Typographical corrections |
| Legal text | Schedule 14 | Three additional drafting requirements, as set out in the Solution Development Report<br><br>One housekeeping change | Inclusion of additional recipients of messages to align with MHHS design and EMDS drafting<br><br>Inclusion of missing cross references in process steps<br><br>Typographical correction |
| Legal text | Schedule 23 | Added to Action column in process tables (steps 13.3.3, 13.3.13, 13.4.10, 14.6.7) - 'The Market Message will only be sent to the Data Collector and Data Aggregator for Non-MHHS Metering Points'. | Clarification |
| Legal text | Schedule 28 | One housekeeping change | Typographical correction |
| Legal text | Schedule 30 | One housekeeping change | Typographical correction |
| Legal text | Schedule XX | Two references to MHHS Transition Schedule amended to 'Metering Operations Schedule' | The code drafting approach was amended so that an MHHS Transition Schedule would not be used. The references in the baselined drafting had not been corrected to point to Schedule 14, where the relevant transition text (on agent appointments) is going to be held. |

| | | | |
|---|---|---|---|
| Legal text | EES Service Definition, 6.1 | One housekeeping change | Improvement to language used |
| Change Report | RAID - Risks | One new risk, R001, for additional drafting requirements | The success of R0209 implementation requires the additional requirements identified to ensure the end-to-end industry arrangements are fit for purpose |
| Change Report | RAID - Assumptions | Two new assumptions, A004 and A005, on additional drafting requirements excluded from R0209.<br>One new assumption, A006, to clarify the scope of the REC MHHS drafting baselined at M6 | Provide clarity on approach taken |
| Change Report | RAID - Dependencies | One new dependency, D003, on implementation of the DIP Rules and their governance | The DIP Rules and DIP Manager operations are live following implementation on 01 October 2024 |

## 15 APPENDIX

| | |
|---|---|
| **CHANGE PROPOSAL** | Link |
| **SOLUTION DEVELOPMENT REPORT** | Link |
| **LEGAL DRAFTING** | Link |
| **CONSOLIDATED CONSULTATION COMMENTS AND CODE MANAGER'S RESPONSES** | Link |
| **OTHER MHHS RELATED CHANGES** | BSC Modification P478 Implementation of MHHS Arrangements<br>DCP 445: Implementation of Market-wide Half Hourly Settlement (MHHS) Arrangements<br>BSC Modification P474 Governance, funding and operation of the DIP<br>R0003 introduced an obligation within the REC for the delivery and implementation of MHHS.<br>R0044 and R0097 have been approved to deliver, at M8, the governance for sharing Smart Meter Data Retriever appointment information via the Central Switching Service to the Smart Meter Data Service Provider. |

| | |
|---|---|
| | R0032 and R0066 introduced amended and new MHHS data items into the industry as an enabler in advance of the wider MHHS implementation.<br><br>R0083 will implement, at M8, an amended Supply Number format as a consequential change of the removal of some data items from the industry under the MHHS arrangements.<br><br>R0202 has been raised to progress changes to the Performance Assurance Reporting Catalogue to support monitoring of Retail Risks under the transition period and enduring arrangements for MHHS.<br><br>R0208 will add the Data Integration Platform to the scope of the Cross Code Steering Group.<br><br>R0192 - Housekeeping Amendments<br><br>R0121 - SDEP Review Improvements (1) - Process Types |
| **ANY OTHER DOCUMENTS / LINKS** | Ofgem's letter to the Code Manager<br><br>Electricity Retail Market-wide Half-hourly Settlement: Decision and Full Business Case \| Ofgem<br><br>MHHS Programme<br><br>Finalisation of Code Artefacts - MHHS Programme<br><br>Consequential Change Solution Documents – REC MSAG |

## GLOSSARY

| TERM | DEFINITION |
|---|---|
| Balancing and Settlement Code (BSC) | means the Balancing and Settlement Code, as defined in the Electricity Supply Licences |
| Central Switching Service (CSS) | means the Systems and processes provided or procured by the CSS Provider for the purpose of providing the Address Management Service and the Registration Service. |
| Consumer | means any person supplied (or seeking a supply) of Energy at an RMP (whether or not that person also exports or is seeking to export electricity at an RMP). |
| CSS Provider | means the DCC when performing functions under or in relation to this Code (but always excluding its functions under the Smart Energy Code and its roles as CSS Systems Integrator, SI Provider and Switching Operator), including in respect of the Central Switching Service and including in effecting the design, build and testing of any System that will allow it to perform functions under this Code after the CSS Go-Live Date. This role is the CSS Procurer and Manager function as described in the E2E Data Migration Plan, E2E Integration Plan, E2E Post Implementation Plan, E2E Testing Plan, E2E Transition Plan: Implementation Approach and E2E Transition Plan: In-Flight Switches Approach. |
| Data Communications Company (DCC) | means the person holding the DCC Licence. |
| Data Integration Platform (DIP) | means the data integration platform made available pursuant to the BSC. |
| DIP Manager | means BSCCo or such other entity as is responsible under the BSC for managing the Data Integration Platform. |
| DIP Rules | has the meaning given to that term under the BSC. |
| Distribution Network Operator (DNO) | means a person holding an Electricity Distribution Licence. |
| Electricity Retail Data Service (ERDS) | means the electricity registration services provided under this Code to support the provision of electricity retail data to the CSS and other services. |
| Electricity Enquiry Service (EES) | means the service described as such in the EES Service Definition. |

| | |
|---|---|
| Market-wide Half Hourly Settlement (MHHS) | Market Wide Half-Hourly Settlement will utilise the ability of smart meters to record a customer's usage during each half hour period to move domestic and small non-domestic customers to half-hourly settlement. Medium and larger non-domestic consumers have been settled half-hourly since BSC modification P272. |
| MHHS Milestone M8 'Code changes delivered' | This is the milestone at which the consequential changes, required to the industry codes to enact the MHHS Design, will be implemented. The date will be determined and governed by the MHHS Programme. |
| MHHS Target Operating Model (TOM) | The Target Operating Model is the settlement arrangements designed by the Design Working Group (DWG), and further developed by the Code Change and Development Group (CCDG) and the Architecture Working Group (AWG) that will facilitate Market-wide Half Hourly Settlement. |
| Significant Code Review (SCR) | means a review of one or more matters by the Authority which the Authority considers is:<br>related to this Code (whether on its own or together with other Energy Code(s); and<br>likely to be of significance in relation to the Authority's principal objective and/or general duties (as set out in section 3A of the Electricity Act and section 4AA of the Gas Act), statutory functions and/or relevant obligations arising under Law,<br>and concerning which the Authority has issued a notice that the review will constitute a significant code review. |
| Smart Meter Data Retriever | means the new industry role that is being introduced into the REC through R0044<br>The role is known in the Smart Energy Code and MHHS Programme as Meter Data Retriever |