

ElectraLink

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Jonathan Amos
Smarter Markets
9 Millbank
London
SW1P 3GE
By email: smartermarkets@ofgem.gov.uk

20 December 2013

Dear Jonathan

Re: Balancing and Settlement Code Modification Proposal 272 – draft impact assessment

ElectraLink is pleased to respond to the Office of Gas and Electricity Market's (Ofgem's) consultation entitled 'Balancing and Settlement Code Modification Proposal 272 – draft impact assessment'. In accordance with our central role as the regulated service provider of the Data Transfer Service (DTS) to the GB electricity market, we have focused our response on those areas most closely aligned with our experience, knowledge and core competencies.

About ElectraLink

ElectraLink was established by the DNOs in 1998 to procure and manage the regulated data transfer service that underpinned the newly formed competitive domestic electricity supply market. Since that date ElectraLink's Data Transfer service (DTS) has effectively facilitated electricity retail market competition by supporting customer switching, settlement agent management and meter administration business processes. ElectraLink has expanded on a commercial basis into the gas retail market and supports the competitive gas meter market. ElectraLink is therefore unique amongst the central bodies in its offering of dual fuel services.

The DTS is based on highly resilient network architecture with component level resilience, automatic failover of communications links including fully managed security and disaster recovery services. The users of the service also have access to a functionally rich toolset and real-time audit information.

Initial Analysis

The DTN currently supports the transmission of existing Half-Hourly data flows between industry parties including Elexon to facilitate the settlement process. Our initial analysis of the implementation of modification 272 is focused of the impact on the DTS and is based on two key Half-Hourly data flows transmitted across the DTN, specifically:

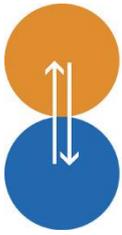
- D0036's (Validated Half Hourly Advances for Inclusion in Aggregated Supplier Matrix) sent from Half-Hourly Data Collectors (HHDC) to Distributors, Data Aggregators and Suppliers ; and



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- D0275's (Validated Half Hourly Advances) sent from HHDCs to Distributors and Suppliers.

These two flows currently equate to approximately 20% or 150GB of total data by volume sent across the DTS each year in support of the 119,000 Half-Hourly installed meters.

Using the two flows detailed above as a benchmark, the introduction of Modification 272, and assuming all 155,000 meters of Profile Class 5-8 being settled Half-Hourly would increase the volume of data on the DTS by approximately 190GB per annum.

Whilst the potential increase in data is not insignificant, the increased data would be spread evenly across the day matching a similar profile to that of the current Half-Hourly flows. The DTS has the capacity to support such an increase without the need to upgrade its infrastructure, and therefore the transfer of this additional half hourly data would incur no additional incremental cost to industry.

This initial conclusion is of course subject to ElectraLink undertaking a formal impact assessment of Modification 272 which we would expect to be triggered by a request from the Elexon representative on the DTS User Group.

Monitoring the Introduction of 272

ElectraLink has been granted permission by the Users of the DTS to collect and aggregate the flows of data that are transferred by the service and is therefore in a unique position to monitor the implementation of Modification 272 in a timely and consistent manner. A central reporting function would provide significant benefits for all parties through reduced effort and cost as the data gathering process would only need to be implemented once for all participants. Reporting would be provided securely, in a consistent format and to an agreed timetable, thus making the data collation process much easier. With all the reports coming from a central data source, future analysis would also be made more reliable, efficient and effective.

Should you wish to discuss our response and how ElectraLink can support Ofgem, Elexon and industry in the successful implementation of Modification 272, please do not hesitate to contact me.

Yours Sincerely,

Paul Pettitt
(Business Architect)



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