



Consequential BSC changes resulting from the Smart Programme

Meeting Name	Supplier Volume Allocation Group
Meeting Date	4 September 2012
Purpose of paper	For Information
Summary	This paper gives an overview of the consequential amendments to the BSC which are likely to be required to support DECC's Smart Metering Implementation Programme.

1. Overview

- 1.1 This paper gives ELEXON's view on what consequential BSC amendments are likely to be needed to support the Department of Energy and Climate Change's (DECC's) [Smart Metering Implementation Programme](#) (SMIP) between now and Q4 2014. We give a high-level overview of these amendments and a description of their possible timings and dependencies.
- 1.2 The new Smart regulatory regime will initially cover the Metering and data retrieval processes for domestic and elective-non-domestic customers. Transition will take a few years, during which time existing 'dumb' Meters will continue to be governed by the BSC while Smart Meters will be increasingly governed by the new Smart Energy Code (SEC). SEC commencement is scheduled for Q2 2013, followed by an interim period during which additional SEC content will be incorporated. The final SEC will apply from Q4 2014 when the new Data and Communications Company (DCC) services go live and the DCC mass Smart Meter rollout begins.
- 1.3 Most of the consequential BSC amendments are relatively minor wording changes to the Code. As these changes are straightforward and are driven by DECC's Smart regulatory arrangements, we believe that the necessary Modification Proposals could be progressed quickly. More detailed development via Change Proposals will be required in the areas of Meter Technical Details and Codes of Practice compliance. Our expectation is that all the changes will be progressed under the normal Modification/CP processes, and that the Secretary of State will not use its powers to designate any changes to the BSC arrangements.
- 1.4 The information given in this paper represents our latest thinking, and may be subject to change as DECC's SMIP planning progresses. We welcome your views on our draft 'roadmap', which we will continue to update and share with you following any significant developments.



2. Changes

- 2.1 Appendix 1 shows our current 'roadmap' for progressing the changes; specifically their timings and dependencies based on our assumptions regarding key SMIP milestones. The SMIP milestones are shown in italics and represent our best view/estimate, rather than actual planned dates from the DECC SMIP. A dashed activity boundary indicates that changes may not be required.
- 2.2 Appendix 2 gives more information on each change.
- 2.3 Changes 2, 3 and 4 (and possibly the Modification part of change 6) could potentially be packaged as a single 'Supplier Agent responsibilities' Modification Proposal. Alternatively, changes 2 and 4 could be progressed as one 'Metering' Modification Proposal.

3. Recommendations

- 3.1 We invite the SVG to:
 - a) **NOTE** and **DISCUSS** the consequential changes to the BSC which may be required to support the Smart Metering Implementation Programme, and their likely timings and dependencies; and
 - b) **NOTE** that we will continue to update you and seek your views on any further developments.

List of Appendices:

Appendix 1 – Roadmap

Appendix 2 – Changes in more detail

List of Attachments:












None

For more information, please contact:

Kathryn Coffin and Jon Spence, Market Advisors, BSC Operations

kathryn.coffin@elexon.co.uk / 020 7380 4030

jon.spence@elexon.co.uk / 020 7380 4313

Activity / Milestone	2012			2013				2014		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<i>SEC Commencement</i>										
<i>Start of mass roll-out</i>										
1) BSC – SEC change co-ordination										
2) Meter Operator obligations: Communications Equipment										
3) Data Collector obligations: Data retrieval										
<i>Licence changes (incl. data ownership) approved</i>										
4) Ownership of Metering Data										
<i>SMETS 2 consultation</i>										
<i>SMETS 2 EC notification period</i>										
<i>Secretary of State designation of SMETS v2</i>										
5) SMETS / BSC Code of Practice compliance										



139/13: Appendix 1

Activity / Milestone	2012		2013				2014			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<i>SMIP End-to-End Testing</i>										
6) Ownership/distribution of Meter Technical Details										
a) workshops										
b) pre-consultation on outline solution/options										
c) develop CPs for SVG approval										
d) participant system changes										
7) Change of Supplier										
8) Assurance										
9) Other miscellaneous changes (see Appendix 2)										

139/13: Appendix 2

Subject	High-level description	Type	BSC impacts	CSD ¹ impacts	Other impacts	Timing & trigger for raising ²	Implement by ³	Outstanding dependencies & considerations
1	Change co-ordination between BSC & Smart Energy Code (SEC)	Possible mod	Section F	None	None	SEC commencement (Q2 2013)	Q4 2014 – to align with full SEC	<p>If SEC is a Core Industry Document, no BSC change needed – if not, could add specific obligation as per STC</p> <p>Smart Metering Regulation Group (SMRG) Working Group (WG) 4 'Consequential Changes' is still considering whether JWAs or Priority Provisions (equivalent to those between BSC & Master Registration Agreement (MRA)) are needed</p> <p>We believe BSC-MRA Priority Provisions are unnecessary for SEC (e.g. no need for BSCCo to be a SEC Party) – in practice, have never needed to use right to veto MRA changes so little different to normal JWAs</p> <p>ELEXON will develop arrangements with SEC administrator regardless of obligations – so no risk if BSC change is after SEC commencement</p> <p>Could potentially be progressed as straightforward Modification Proposal at opportune time</p>

¹ Code Subsidiary Documents: e.g. Balancing and Settlement Code Procedures (BSCPs), Metering Codes of Practice (CoPs).

² Earliest point at which change can be raised.

³ Backstop dates; in practice earlier implementation of some changes may be possible/appropriate.

139/13: Appendix 2

Subject	High-level description	Type	BSC impacts	CSD impacts	Other impacts	Timing & trigger for raising	Implement by	Outstanding dependencies & considerations
2	<p>Meter Operator Agent (MOA) obligations: Communications Equipment</p> <p>BSC currently says MOA responsible for Metering Equipment (including, if applicable, Associated Communications Equipment)</p> <p>Existing BSC definition of Metering Equipment includes Associated Communications Equipment</p> <p>Existing BSC definition of Communications Equipment refers to <i>"transmission ... to a Data Collector for the purposes of Supplier Volume Allocation"</i></p> <p>These obligations/definitions may not be appropriate for Smart Meters serviced by the Data Communications Company (DCC)</p> <p>BSC's Metering Equipment commissioning and/or audit requirements may also need amending</p>	Mod	<p>Sections J, L, S and X-1</p> <p>(NB term Metering Equipment currently appears in BSC ~188 times!)</p>	None	Meter Operation Code of Practice Agreement (MOCOPA)?	SEC commencement (Q2 2013)	DCC Go Live / start of mass Smart Meter rollout (Q4 2014)	<p>SMIP still to decide who will own Communications Equipment and be responsible for commissioning, testing and maintenance</p> <p>SMRG WG4 still discussing definition of Metering Equipment</p> <p>As straightforward Code-only change, can afford to wait for further clarity before raising</p> <p>Minimal risk if BSC changes made after SEC commencement – can address through interim guidance, with SVG & Performance Assurance Board (PAB) involvement</p>

139/13: Appendix 2

	Subject	High-level description	Type	BSC impacts	CSD impacts	Other impacts	Timing & trigger for raising	Implement by	Outstanding dependencies & considerations
3	Data Collector (DC) obligations: Data retrieval	<p>BSC currently says Non Half Hourly (NHH) DC responsible for retrieving metered data, and requires Supplier to ensure DC has access to Meter</p> <p>Will need to change for Smart Meters where Suppliers retrieve readings via DCC</p> <p>May also need amending for opt-out non-domestic customers (if Smart Metering System Operator (SMSO) retrieves readings) and Half Hourly elective customers (if DCC responsible for reads)</p> <p>For DCC-serviced Smart Meters, may no longer be necessary to appoint same NHHDC where Outstation is used for both Import and Export</p>	Mod	Sections J and S	BSCP504	None	SEC commencement (Q2 2013)	DCC Go Live / start of mass Smart Meter rollout (Q4 2014)	<p>No dependencies and straightforward / light-touch change if responsibility is passed to Supplier for Smart Meters (Suppliers already potentially acting as data retrievers for existing Smart trials)</p> <p>If need/want to reference SMSOs or existing (pre-Smart rollout) Advanced Metering for Domestic (AMD) Meters, will be dependency on SMIP/Registration changes</p> <p>Have alerted DECC to this issue and await further clarity on SEC requirements before progressing</p>



139/13: Appendix 2

Subject	High-level description	Type	BSC impacts	CSD impacts	Other impacts	Timing & trigger for raising	Implement by	Outstanding dependencies & considerations
4	Ownership of Metering Data	Mod	Section L	None	Distribution Connection and Use of System Agreement (DCUSA)?	When licence changes approved (Q3 2012?)	DCC Go Live / start of mass Smart Meter rollout (Q4 2014)	<p>Wording of BSC changes will depend on final licence wording</p> <p>Need to understand if changes will apply to non-domestic customers as well as domestic, and how BSC will capture intent of licences while retaining necessary data access for BSC arrangements (e.g. for profiling)</p> <p>Have alerted DECC to this issue and await further clarity before progressing</p> <p>As licences take precedence, believe is no urgency to progress (will confirm with DECC)</p>

139/13: Appendix 2

	Subject	High-level description	Type	BSC impacts	CSD impacts	Other impacts	Timing & trigger for raising	Implement by	Outstanding dependencies & considerations
5	Smart Metering Equipment Technical Specification (SMETS) & compliance with BSC's Metering Codes of Practice (CoPs)	<p>BSC currently requires Metering Equipment to comply with CoPs</p> <p>However, Smart Meters which comply with SMETS will not additionally need to comply with NHH CoPs</p> <p>Previously highlighted to SVG in Nov 2011 (paper 129/07)</p>	Mod + CP(s)	Section L	BSCP514 & CoP10?	MOCOPA?	<p>Following Secretary of State's designation of SMETS v2 (Q2 2013)</p> <p>SMETS v2 to be sent to EC in Q4 2012 (currently out for consultation)</p>	Q4 2013 (target), to capture Foundation (pre-2014-rollout) Meters	<p>BSC change straightforward – mod to amend Section L to require compliance with SMETS <u>or</u> CoPs</p> <p>CSD changes need more thought – intend to progress separately via CP(s)</p> <p>Need to find a suitable home (e.g. BSCP514, MOCOPA) for Current Transformer (CT) requirements & any other requirements which are still needed but don't relate to Metering Equipment (e.g. sealing)</p> <p>Need to consider what becomes of CoP10 – use for elective HH and NHH CT metering? Should security requirements (e.g. 3-tier passwords) change to allow SMETS-compliant Meters to be used for elective HH?</p> <p>Ideally, BSC/CSD changes would be made in parallel with SMETS</p> <p>However, would not penalise any participants for CoPs non-compliance in interim providing comply with SMETS</p>

139/13: Appendix 2

Subject		High-level description	Type	BSC impacts	CSD impacts	Other impacts	Timing & trigger for raising	Implement by	Outstanding dependencies & considerations
6	MOA obligations: Meter Technical Details (MTDs)	<p>BSC currently places obligations on MOA to maintain MTDs, and to provide them to relevant HHDC or NHHDC so DC can read and process Meter data for Supplier Volume Allocation</p> <p>Joint BSC/MRA MTD workshops discussing how best to amend these for Smart Meters</p>	Mod + CP(s)	Section S	TBC – may include BSCPs 504, 514, & 515 and PARMS ⁴	<p>MRA Data Transfer Catalogue (DTC)</p> <p>Participant system changes</p>	Q4 2012	In time for SMIP’s end-to-end testing (mid-2014)	<p>Participants may need 12-18 months between approval and implementation of BSCP drafting to make system changes</p> <p>Participants may need to complete system changes in time for SMIP’s end-to-end testing in mid-2014</p> <p>Proposed approach:</p> <ul style="list-style-type: none">• Split into Mod and CP(s)• Mod is minor self-evident change & can be progressed quickly• Use existing MTD workgroup to develop/review detailed BSCP changes (including pre-consultation on options) in Sep-Oct 2012 before raising CP(s)• Consult wider industry on BSCP changes under CP(s) towards end 2012• Bring CP(s) for SVG approval in Q1 2013• To speed progression, amend existing BSCPs as least-impact approach rather than create new ‘Smart’ BSCP (could revisit in future if needed)• Could provide guidance on where to find new ‘Smart’ provisions in BSCPs <p>Will need to align BSC and MRA DTC CPs</p>

⁴ ELEXON's Performance Assurance Reporting and Monitoring System.



139/13: Appendix 2

Subject	High-level description	Type	BSC impacts	CSD impacts	Other impacts	Timing & trigger for raising	Implement by	Outstanding dependencies & considerations
7	<p>Change of Supplier (CoS)</p> <p>MTDs/CoS workshops reviewed a potential enduring 'Smart CoS' process, where 'old' Supplier responsible for closing read and 'new' Supplier responsible for opening read</p> <p>Would simplify data transfer processes on concurrent change of Supplier and agent(s)</p> <p>This change not required to support SMIP, but exploits benefits of Smart rollout</p> <p>Workshop receptive to possibility of such change, subject to mitigating risk of gaps/overlaps in the settled energy</p> <p>Ofgem has commenced a separate review of CoS process under its 'Smarter Markets' work, and intends to issue an options/framework consultation in Q2 2013</p>	Possible Mod + CP	TBC	TBC	MRA	TBC	End 2014	<p>Will progress minimum changes needed to make existing CoS process work for Smart (these will fall out of the other changes above)</p> <p>Will provide input into Ofgem's review, and any other discussions, on wider reforms to CoS process</p> <p>In meantime will continue to investigate industry appetite for separating old and new Supplier responsibilities for closing/opening readings (via MTD/CoS workshop 'pre-consultation' in Sep-Oct 2012), with view to implementing such a change by end 2014</p> <p>Do not anticipate that any BSC changes needed to support CoS process for Foundation (pre-2014-rollout) Meters.</p>

139/13: Appendix 2

Subject		High-level description	Type	BSC impacts	CSD impacts	Other impacts	Timing & trigger for raising	Implement by	Outstanding dependencies & considerations
8	Assurance	SEC will include assurance regime – need to ensure SEC and BSC assurance arrangements work together and that BSC obtains the necessary assurance from SEC May be potential synergies or conflicts (plus possibility of, or need for, collaborative activities) between the two codes	Possible mod	Section Z	TBC	TBC	SEC commencement (Q2 2013)	2014 – to align with full SEC	Will keep a watching brief on discussions of following SMIP workgroups: <ul style="list-style-type: none">Foundation Interim Operating Model (FIOM) workgroupFoundation Strategy Group (FSG)SEC workgroup (SMRG WG2)
9	Miscellaneous	May include: <ul style="list-style-type: none">Clarifying that remotely disabling Meter (i.e. disabling flows from system) doesn't equal de-energisationRegistration changes (Market Domain Data changes, e.g. new entities/roles, to support wider non-BSC registration changes)Reading typesDC validation rulesFrequency for processing readings from Smart Meters (as set out in BSCP504 4.20)	CPs	None	BSCPs	MRA	SEC commencement (Q2 2013)	Q2 2014 (in time for DCC Smart Meter rollout)	Subject to further discussion by workgroup