PERFORMANCE ASSURANCE IMPACTS OF P272 AND P300

1. Background

1.1 This note provides Suppliers and agents with information on some of the Performance Assurance impacts of P272 and P300.

1.2 Since 6 April 2014 all sites in Profile Classes (PCs) 5-8 should have a Half Hourly (HH) capable Meter (Advanced Meter) regardless of when installation took place. Currently these Meters do not need to be settled on a HH basis but Suppliers can elect to if they (or the customer) wish. There are 155,685 Meters in PC5-8. However, Ofgem have indicated that approximately only 75% of these have an Advanced Meter currently installed.

1.3 P272 'Mandatory Half Hourly Settlement for Profile Classes 5-8 was raised on 20 May 2011. It proposed mandatory HH Settlement for PCs 5-8 from 1 April 2014. An alternative Modification, which was identical to the original but with an Implementation Date of 1 April 2015, was subsequently developed by the P272 Workgroup.

1.4 P300 'Introduction of new Measurement Classes to support Half Hourly DCUSA Tariff Changes (DCP179)' was raised on 5 March 2014 to make consequential changes to the BSC to support the proposed DCP179 solution.

1.5 P300 will provide a mechanism for Licensed Distribution Systems Operators (LDSOs) to distinguish between HH-settled customers whose network charges should be calculated on a site specific basis, and those whose network charges should be calculated on an aggregated basis.

1.6 Under P300, Measurement Class E will be split into three Measurement Classes (for HH Metering Systems that are not 100kW Metering Systems). It does this by renaming Measurement Class E and introducing two new Measurement Classes for HH sites, which will be used for aggregated DUoS billing, as follows:

- rename Measurement Class E to reflect that it is intended for HH current transformer (CT) Metering Systems that have site specific DUoS billing and are not 100kW Metering Systems;
- introduce new Measurement Class F for domestic HH CT and whole current (WC) Metering Systems that have aggregated DUoS billing and are not 100kW Metering Systems; and
- Introduce new Measurement Class G for non-domestic HH WC metered Metering Systems that have aggregated DUoS billing and are not 100kW Metering Systems.

1.7 On 15 October 2014, P300 was approved by the Authority with an Implementation Date of 5 November 2015 and DCP179 was approved with an Implementation Date of 1 April 2015.

1.8 On 29 October 2014, P272 was approved by The Authority with an Implementation Date of 1 April 2016.

1.9 The Implementation Date for P272 is the date at which all HH capable Metering Systems should be settling on a Half Hourly basis.

2. Supplier and Agent Plans

2.1 The P272 Working Group wanted to encourage an efficient transition from Non Half Hourly (NHH) to HH Settlement prior to the P272 Implementation Date.

2.2 Therefore, the group decided that Suppliers will be requested to submit a high-level transitional plan to the Performance Assurance Board (PAB). These plans will cover when Suppliers intend to switch their customers, and so will enable the PAB to obtain a better view of the impacts of the transition and better liaise with or advise Suppliers who wish to avoid any problems during the transition.

2.3 In October 2014, PAB decide that it would also be helpful to receive transition plans from Supplier agents and distributors.

2.4 A consultation on the proposed timetable for submitting the plans and the template plan for organisations to use was issued by ELEXON on 10 November 2014 and organisations have until 28 November 2014 to respond to this.

3. Performance Standards and Supplier Charges

The NHH Performance Level (SP08a)

3.1 Currently, Suppliers need to settle the following percentage of their total energy on Annualised Advances (AAs) for each run type for each GSP Group:

Initial Volume Allocation Run	N/A
First Reconciliation Volume Allocation Run	30%
Second Reconciliation Volume Allocation Run	60%
Third Reconciliation Volume Allocation Run	80%
Final Reconciliation Volume Allocation Run	97%

3.2 Although the other run types are monitored, it is the Performance Level at the Final Reconciliation Run (RF) which is closely monitored by ELEXON and the PAB and poor performance is subject to the Error and Failure Resolution (EFR) technique.

3.3 These Performance Levels are not set to change under either P272 or P300.

3.4 The Supplier Charges associated with NHH Performance have also remained unchanged.

The HH Performance Standard for 100kW Metering Systems (SP08b)

3.5 Currently the HH Performance Level for HH Metering Systems which are 100kW Metering Systems is to obtain 99% of energy on actuals by the Initial Volume Allocation Run (SF) and each subsequent run.

3.6 These standards are not set to change under either P272 or P300.

The HH Performance Standard for non 100kW Metering Systems (SP08c)

3.7 HH Metering Systems that are not 100kW Metering Systems (currently elective HH sites) should obtain at least 99% of energy on actuals by RF.

3.8 These standards are not changing under P272. However, P300 will introduce changes to the HH Performance Levels: When P300 is implemented the standard for Metering Systems that are not 100kW Metering Systems would be to obtain 99% of energy on actual reads by R1 and for each subsequent run.

3.9 ELEXON proposes to monitor the HH sites which are under 100kW against the new R1 performance measure when P300 is introduced and will provide monthly monitoring to PAB detailing how Suppliers are performing against this measure.

3.10 Issue 59 – Consideration of the PARMS and Supplier Charge Changes introduced by P272 and P300 has been raised to review Supplier Charges and performance monitoring for P300 and/or P272, which will include a review of the Supplier Charge of £0.00 at R1, R2 and R3. Therefore, further changes to the Supplier Charges for HH performance may still be implemented.

Monitoring whether Advanced Meters are settled on a HH Basis

3.11 The P272 red line changes to Annex S-1 of the BSC (that have been approved by the Panel) state that:

2.4.1A As from 1 April 2016, a Supplier shall comply with the requirements of Section L2.2.2(b) in relation to each Advanced Meter for which it is responsible.

2.4.2 The Performance Level set out in paragraphs 2.4.1 and 2.4.1A are referred to elsewhere in this Annex S-1 as Serial SP04.

3.12 Section L2.2.2(b) is the requirement to settle Advanced Meters on a HH basis from the P272 Implementation Date.

3.13 This results in the associated SP04 base Supplier Charge of £2.68 being applied to every Advanced Metering System that is not being settled on a HH basis from 1 April 2016.

3.14 ELEXON will determine, as part of the P272 implementation, how the data to support the updated SP04 Serial should be obtained. Changes that will be made to the relevant BSCP(s) under P272. However, the Issue 59 Work Group will be consulted on the best means of obtaining the data and whether any further amendments should be recommended to differentiate between 100kW and Advanced Metering Systems.

A new PARMS Serial

3.15 The Issue 59 Work Group will consider whether a new PARMS Serial should be created for PC 5-8 Metering Systems that do not have an Advanced Meter (i.e. those where the Supplier has been unable to install one, despite taking all reasonable steps to do so, as required by the Licence Condition). This Serial would be for monitoring purposes only, and would not have an associated Supplier Charge. This would enable the PAB to understand the number (and hence the impact on Settlement) of residual NHH metered customers.

3.16 As with the expanded SP04, ELEXON will determine, as part of the P272 implementation, how to obtain the data for this Serial in consultation with the Issue 59 Work Group.

A summary of the impacts on Performance Monitoring and Supplier Charges:

Standard/Serial /Supplier Charge/Performance Level	Changed under P300 or P272?	What will it be?	Subject to further change through Issue 59?
Non Half Hourly Performance Level	No	N/A	No
HH Performance Level	Yes – P300	100kW Metering Systems – Unchanged Under 100kW Metering Systems – To obtain at least 99% of energy on Actuals by R1 and for each subsequent run.	No
HH performance – related Supplier Charges	No	No change.	Yes – Issue Group to determine if Supplier Charges should be changed to reflect more stringent performance levels for under 100kW HH Metering Systems.

PERFORMANCE ASSURANCE IMPACTS OF P272 AND P300

Standard/Serial /Supplier Charge/Performance Level	Changed under P300 or P272?	What will it be?	Subject to further change through Issue 59?
Performance level for Advanced Meters to be registered as Half Hourly Metering Systems	Yes – P272	Advanced Meters should be registered as Half Hourly metering Systems after P272 Implementation Date.	Some potential changes to the Code may be raised by the Issue Group to clearly separate the SP04 requirements that relate to 100kW Metering Systems from those of Advanced Meters.
Supplier Charge for Advanced Meters to be registered as Half Hourly Metering Systems	Yes - P272	£2.68 per Metering System per day for each Metering System that is an Advanced Metering System that is not registered as a HH Metering System on and after 1 April 2016.	Some potential changes to the Code may be raised by the Issue Group to clearly separate the SP04 requirements that relate to 100kW Metering Systems from those of Advanced Meters and ELEXON will determine the changes required to collect the data that will be necessary to calculate the extended SP04 Supplier Charge in consultation with the Issue Group.
New Serial	Yes- P272	Created for PC 5-8 Metering Systems that do not have an Advanced Meter (i.e. those where the Supplier has been unable to install one, despite taking all reasonable steps to do so, as required by the Licence Condition). This Serial is for monitoring purposes only, and will not have an associated Supplier Charge.	ELEXON will determine the changes required to collect the data that will be necessary to produce the Serial in consultation with the Issue Group.

3.17 All Supplier Charges noted in the above section are subject to an annual adjustment, as detailed in Annex S-1, 3.8.1, in line with changes to the Retail Price Index.

4. Qualification

4.1 From 1 April 2016, all Advanced Meters should settle on a HH basis from its Implementation Date. This means that Suppliers and their agents responsible for the Meters must be HH qualified once they have transferred from being registered NHH to HH.

5. Reviewing the Risk Evaluation Register (RER).

5.1 P272 will see the movement of approximately 156,000 PC 5-8 Metering Systems from NHH Settlement to HH Settlement.

5.2 This change could impact the probability and impact of the Supplier Volume Allocation (SVA) Settlement Risks and could result in new Settlement Risk(s) being identified.

5.3 ELEXON will undertake a review of the Risk Evaluation Register (RER).

5.4 The review will be completed by the end of January 2015 and, if ELEXON identifies changes that are required to the 2015-2016 RER, we will bring a paper to the March PAB setting these out and requesting that a within period revision to the RER is made.

6. Technical Assurance of Metering Systems

6.1 Currently ELEXON's and the PAB's working practice with the Technical Assurance Agent (TAA) is that only sites that are in Measurement Class C (which the BSC defines as HH Metering Equipment at above 100kW Premises) are included in the TAA's sample for inspection. This results in the TAA inspecting the HH sites that will have the biggest impact on Settlement volumes if the Metering System or Meter Technical Details used by agents have an error.

6.2 ELEXON does not intend to change this arrangement following the implementation of P272 and plans to embed this approach in the Technical Assurance of Metering (TAM) scope for 2015-2016.

6.3 However, BSCP27 'Technical Assurance of Half Hourly Metering Systems for Settlement Purposes' provides the flexibility to determine the Metering Systems that are included in the TAA sample and the TAM scope. Therefore, the samples for both the main sample and any specific or targeted samples could change to include sites that are non-100kWs if a case were made that it should.

7. Changes to the Change of Measurement Class (CoMC) Process

7.1 The change of Measurement Class (CoMC) process will be used to move Advanced Meters from NHH Settlement to HH Settlement during the implementation of P272.

7.2 Issue 49 'Change of Measurement Class (CoMC) process for Advanced Meters' was raised on 24 June 2013 to ensure that the CoMC process would not act as a barrier for Advanced Meters (that were NHH but already HH capable) transferring to HH Settlement.

7.3 Three CPs were raised as a result of the Issue Group (CP1409 "Change of Measurement Class Process for Advanced Meters" and CP1411 "Removal exemption from Proving Tests for Code of Practice 10 Metering Systems" which were approved and will be implemented on 25 June 2015 and CP1410 "Transfer of Outstation Level 3 Passwords for Advanced Meters" which was rejected). ELEXON is in the process of updating the CoMC guidance to reflect the changes introduced by CP1409, CP1411 and P272. The updated guidance will be published as soon as possible and the industry will be notified in Newscast.