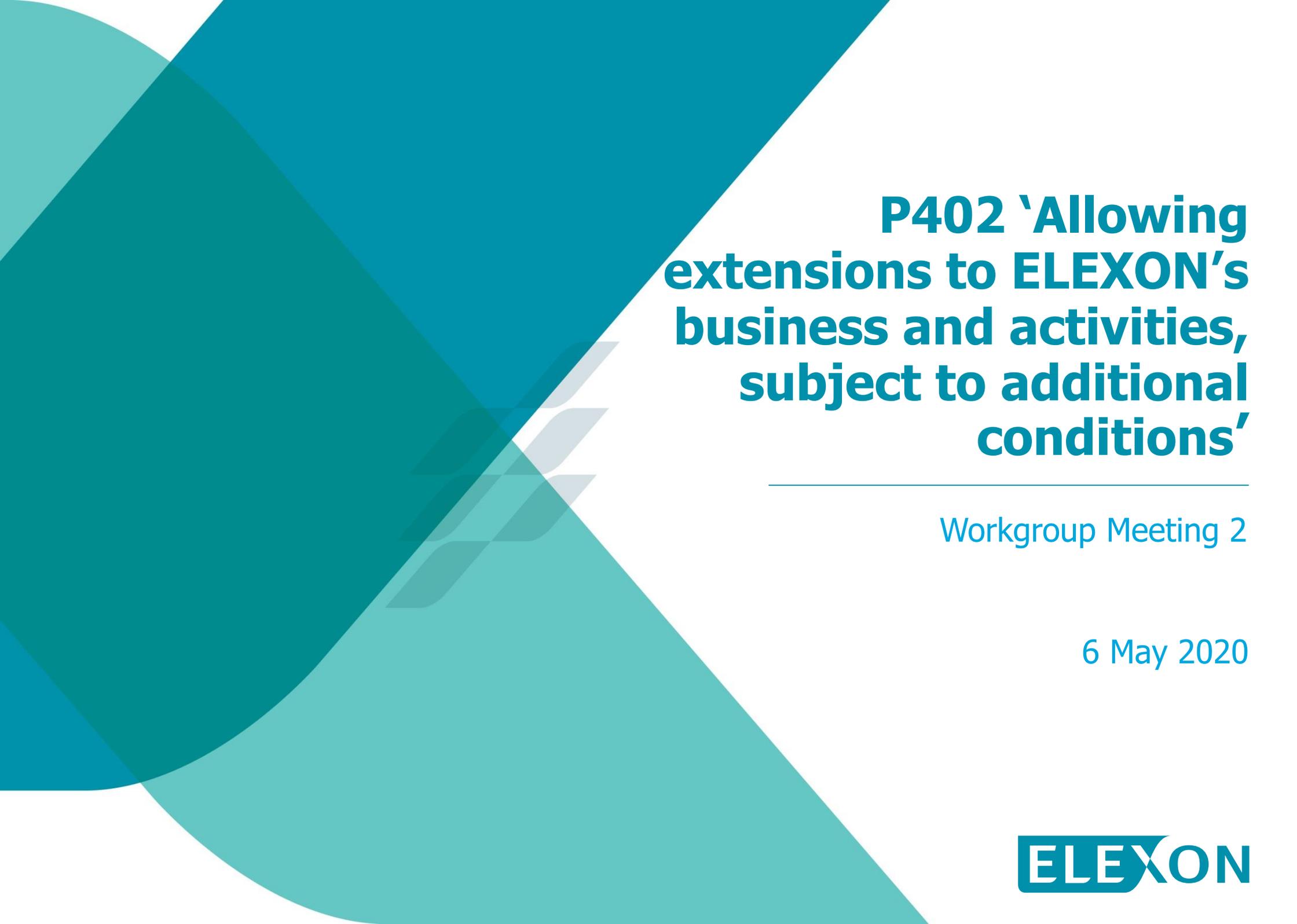

P402 Skype meeting ground rules

- Welcome to the P402 teleconference – we'll start in a moment
- No video please – conserve bandwidth
- All on mute – use IM if you can't break through
- Talk – pause – talk
- Lots of us are at home – be mindful of background noise and connection speeds



P402 'Allowing extensions to ELEXON's business and activities, subject to additional conditions'

Workgroup Meeting 2

6 May 2020

ELEXON

Meeting Objectives

- Consider outcomes of actions taken at the last meeting;
- Assess the options for P402 and agree the way forward; and
- Agree a solution so that Legal Text can be developed.

Agenda item	Lead
1. Welcome and meeting objectives	Lawrence Jones (Chair)
2. First Workgroup meeting summary and actions update	Ivar Macsween (Lead Analyst)
3. Consideration of P402 solution options	Nick Rubin, Workgroup
4. P402 Business Requirements	Workgroup
5. Further areas for consideration	Workgroup
6. Next steps	Ivar Macsween
7. Meeting close	Lawrence Jones



Summary of 1st Workgroup meeting

P402: 1st Meeting Summary

- Terms of Reference and draft Business Requirements considered for P402.
- Need for balancing the solution's principal goal of providing NETSO with the data it requires with considerations of impact on Distributors processes and systems.
- Level of validation that ELEXON can perform is limited.
- Following news of CMP332 withdrawal- the Workgroup agreed that an alternative approach to addressing the P402 solution should be considered.
 - Additional time to implement the TCR (now April 2022) offers an opportunity to reconsider the nature of the proposed solution
 - However, need to allow time for participants to amend processes and systems requires quick resolution of P402

P402: 1st Meeting Actions Update

■ Workgroup 1 Actions:

1. ELEXON to update the Business Requirements to reflect the Workgroup's review comments.
 - These have been amended and highlighted later in the meeting
2. ELEXON to present an alternative approach to addressing P402 at the next meeting.
 - To consider as part of this meeting
3. ELEXON to engage with IDNOs to better understand impacts on their systems.
 - The outcomes of this engagement have fed in to development of the alternative option, presented for Workgroup consideration.
4. ELEXON to consider the legitimacy of P402 continuing in the absence of CMP332 and present this to the group at its next meeting.
 - ELEXON do not believe there are any governance concerns with continuing to address the P402 issue.

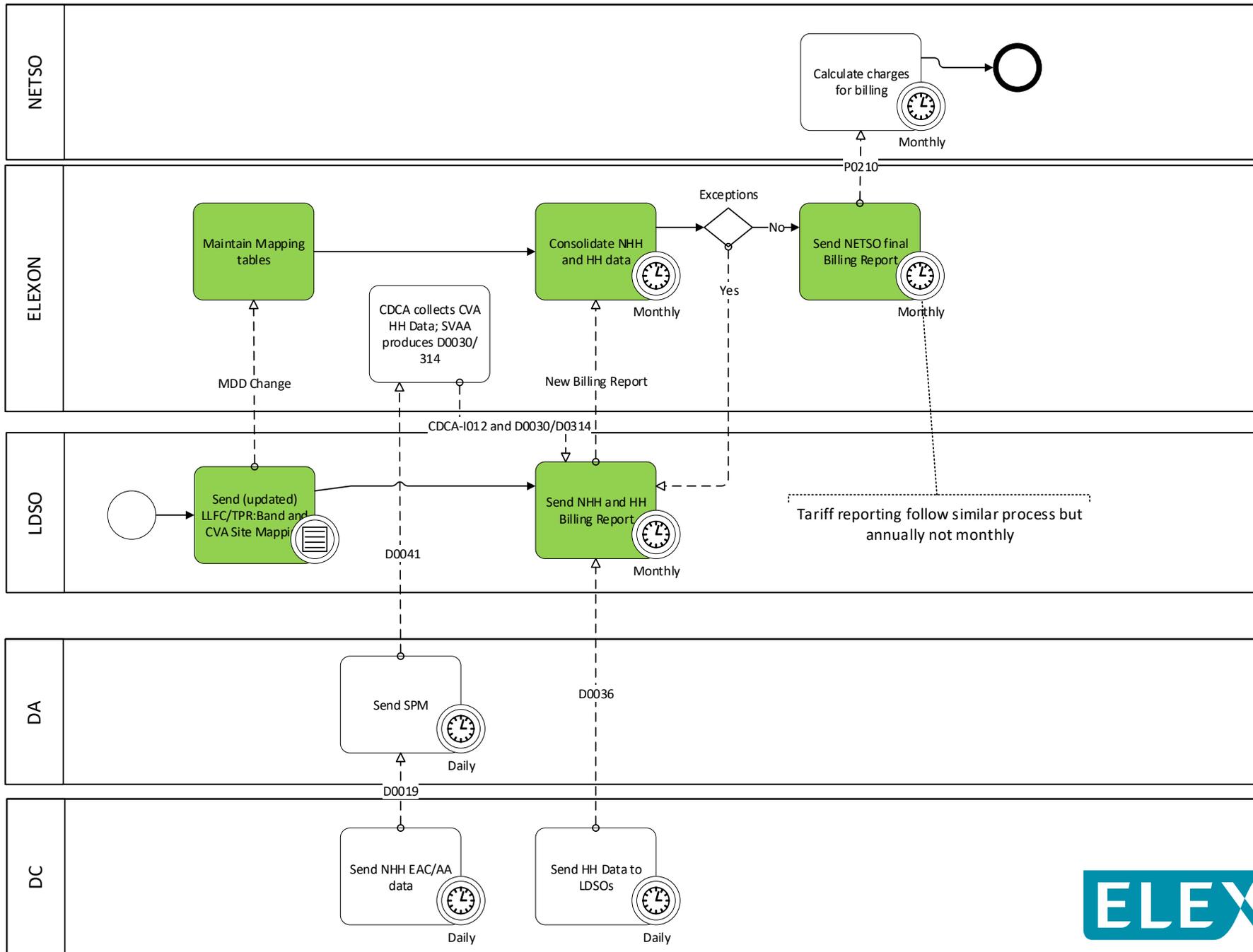


P402 Solution Options

P402: Original P402 Solution

- P402 will introduce new obligations on LDSOs to send BSCCo reports, and for BSCCo to produce and send new Tariff Setting Reports and Billing Reports to National Grid.
- Both the Tariff Setting Reports and Billing Reports will be compiled following these overall steps:
 1. LDSOs compile and send reports to BSCCo using a common file format to be specified in the SVA Data Catalogue;
 2. BSCCo consolidates each LDSO's report into a single report using the same or a similar file format to the one used by the LDSOs (also specified in the SVA Data Catalogue; and
 3. BSCCo sends the consolidated report to NETSO.

P402: Original P402 Solution



P402: how has the original changed since last meeting

- Included validation and exception management
 - Thresholds
 - Structural validation
 - Missing data
- LLFC: Band and CVA MPID mapping included
 - Governance: Propose MDD governance for maintaining LLFC:Band and CVA MPID mapping
 - Established governance and structure
- We'll explore in more detail in the BRs below

P402: Alternatives

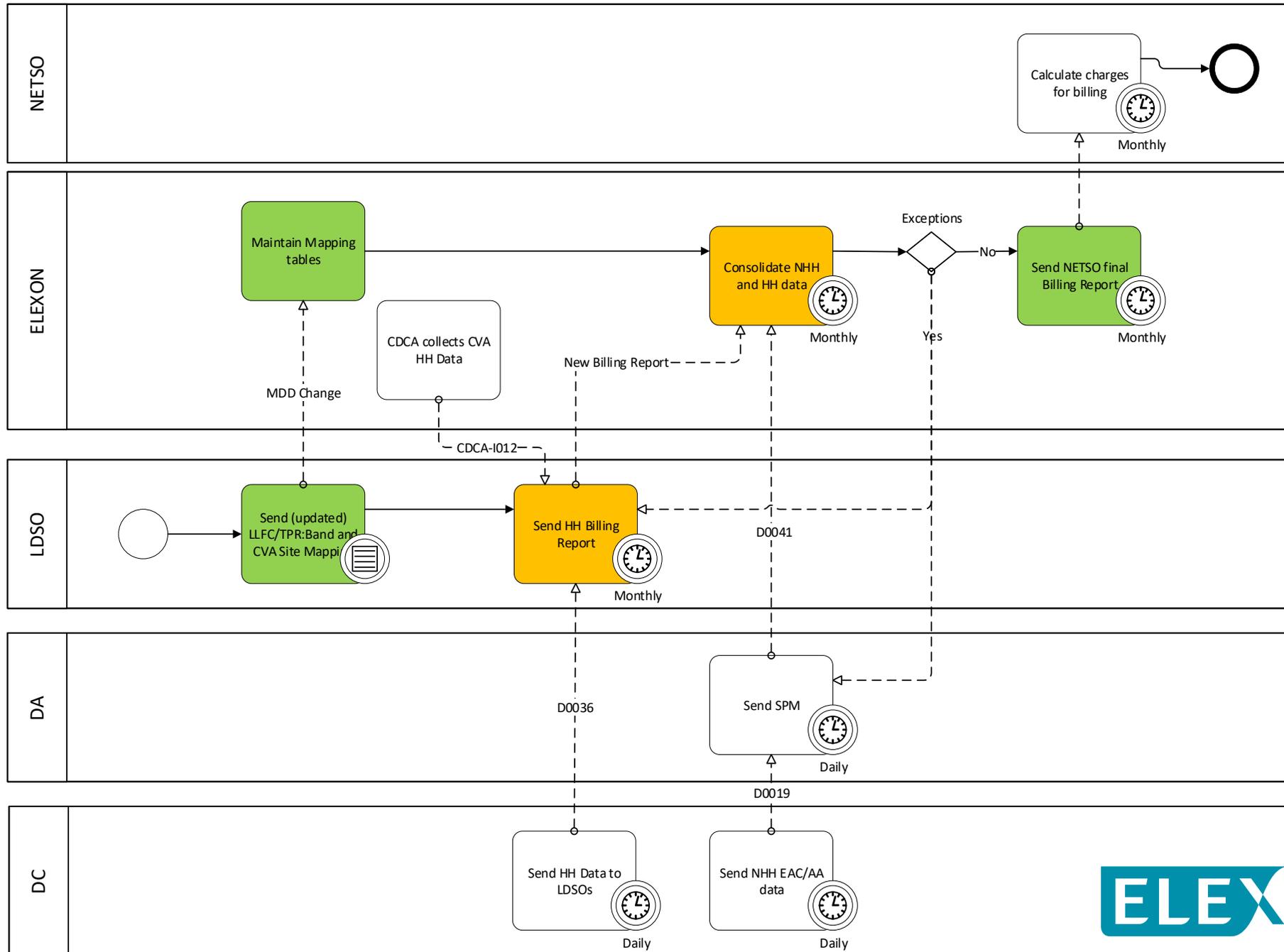
- The Workgroup agreed that an alternative approach to addressing the P402 solution should be considered.
 - Additional time to implement the TCR (now April 2022) offers an opportunity to reconsider the solution

- Two options:
 - 1. IDNO option**
 - Feedback identified significant, avoidable costs for some IDNOs
 - Believe ELEXON have necessary NHH data to reduce burden on LDSOs
 - 2. Party Agent (or centralised) aggregation**
 - Introduce new registration items that enable existing Party Agents (or any new agent) to aggregate metered data and determine site counts
 - LDSOs only responsible for ensuring MSID registration details maintained

P402: IDNO alternative – rationale and proposal

- Feedback from IDNOs - the original P402 solution would require significant system changes for some
 - Some IDNOs billing run timescales are different meaning that they'd need to make changes to commit Settlement data to their billing systems earlier than needed
 - Little perceived benefit to IDNOs in making these changes apart from compliance
 - Believe that requiring LDSOs to process NHH data may be inefficient as ELEXON already hold all necessary data
- Proposal
 - Proposal that ELEXON makes use of existing NHH data (i.e. Supplier Purchase Matrix data received in D0041)
 - LDSOs continue to aggregate more complex HH (SVA and CVA)
 - Use original LLFC:Band and CVA MPID mapping tables
 - ELEXON continues to consolidate the NHH and HH data into monthly Billing and annual Tariff-setting Reports

P402: IDNO alternative



P402: IDNO alternative

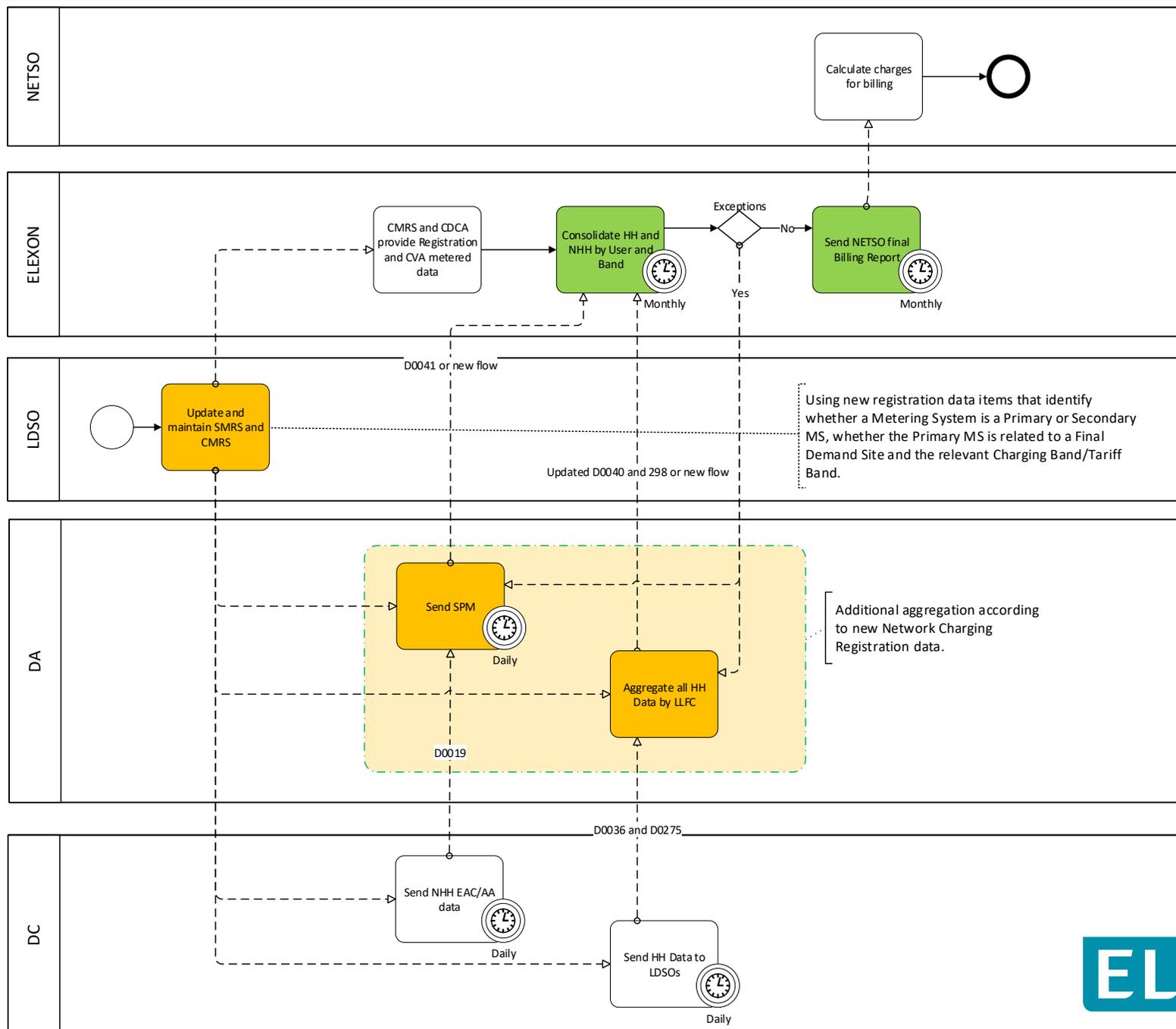
- Benefits
 - Reduces the burden on LDSOs in general to compile NHH data
 - Specifically reduces the burden on certain IDNOs to commit NHH data and produce reports within 2wds of SF

- Will the LLFC:Band Mapping table be sufficient?
 - Are there NHH Sites with multiple MSIDs that mean ELEXON would need more information (e.g. TPR) than simply LLFC:Band mapping?

P402: Party Agent alternative – rationale and proposal

- Both the P402 original and IDNO alternative rely on LDSOs understanding of how MSIDs relate to Final Demand Sites.
 - This relationship is only really visible to the LDSOs and customer.
 - This means that Suppliers, Party Agents and other service providers cannot easily determine what Final Demand Sites are
- Proposal
 - Introduce new Metering System Registration details
 - e.g. Residual Charging Band, Final Demand Site ID/Indicator, Primary/Secondary MSID Indicator
 - LDSOs maintain new Registration details in SMRS and provide details to ELEXON to maintain in CMRS
 - HH and NHH DAs perform additional aggregation of MSID data according to Charging Bands and Site registration details
 - MHHS option – once implemented, a single centralised agent could aggregate MSID level data.

P402: Party Agent alternative



P402: Party Agent alternative

■ Benefits

- Reduces the burden on LDSOs by removing the need to produce Billing and Tariff Setting Reports and to maintain mapping tables
- Provides greater transparency to industry of relationship between MSIDs and Sites for Network Charging purposes
 - Greater opportunity to perform assurance measures
- Enables other parties/agents to aggregate data

■ Disbenefits/challenges

- Despite April 2022 go-live, unlikely to be enough time to develop solution fully
 - Define registration items require BSC, DTC and REC changes
- Need to be designed in conjunction with other industry changes (e.g. Faster Switching and MHHS)

P402: Alternative P402 solution – way forward

- Areas to consider
 - What benefits does this alternative offer compared to the original solution?
 - Are there any downsides to ELEXON consolidating NHH D0041 data?
 - Does the alternative better facilitate the BSC Objectives?
- Our recommendations:
 - Adopt the IDNO alternative as part of P402
 - Return to the Party Agent alternative as part of Access SCR and MHHS rollout

For Discussion...



How do the Proposer and Workgroup feel about inclusion of this suggestion in the P402 solution(s)?



Further areas of consideration

P402: Further areas of consideration

- Specifically, what will LDSOs report to ELEXON? Site counts or MSID counts?
 - Will LDSOs exclude any MSIDs from its report, even from being allocated to a non-chargeable LLFC?

- File structures and formats to use?
 - St Clements shared example Tariff and Billing Reports - attached with these slides
 - Does this need to be agreed as part of P402 Assessment or post Ofgem approval?

- What should content of mapping tables be? Examples on next slide
 - Will mirror MDD table structure and process – see BSCP509
 - Submission of CVA MPID Mapping will require manual validation to ensure LDSO records map to BSC records/MPIDs
 - Alternatively – LDSOs could provide CVA MSID to Charging Band mapping

P402: Further areas of consideration

■ Mapping examples

MPID	Effective from date (MPR)	LLFC	Residual Charging Band	Effective from date	Effective to date
EELC	01/04/1996	1	DOM	01/04/2022	
EELC	01/04/1996	2	DOM	01/04/2022	
EELC	01/04/1996	3	DOM	01/04/2022	
EELC	01/04/1996	111	LV1	01/04/2022	
EELC	01/04/1996	112	LV1	01/04/2022	
EELC	01/04/1996	121	LV2	01/04/2022	
EELC	01/04/1996	222	HV1	01/04/2022	
EELC	01/04/1996	333	HV2	01/04/2022	
EELC	01/04/1996	999	EHV	01/04/2022	

MPID	Effective from date (MPR)	Pseudo MPID	Supplier Name (LDSO)	Effective from date	Effective to date
EELC	01/04/1996	CORB	Corby Power Limited	01/04/2022	
EELC	01/04/1996	VIRI	GFP Trading Ltd	01/04/2022	

P402: Implementation

- When should P402 be recommended for implementation?
 - NETSO require first Billing Report at the end of March 2022
 - Report will cover Site Counts during February 2022
 - Implement on 31 January 2022, 1 February 2022 or ~20 March 2022?
 - I.e. does P402 need to be live in order for LDSOs to begin collecting MSID/Site Counts?

- When should Code Subsidiary Documents be developed?

- Industry Service Provider IAs not sought yet

P402: Self Governance

- Should P402 be considered as a Self Governance Modification?



**Review updated
Business
Requirements**

P402: Business Requirements – Data Inputs

BR1 LDSOs provide monthly Billing data

- Within [2] WD of the Settlement Run (type=SF) for the last Settlement Date of each calendar month, each Licensed Distribution System Operator (LDSO) must provide **half hourly (inc. CVA) Billing data to BSCCo (source = D0036)**
- **IDNO Alternative - BSCCo will provide Non Half Hourly data (source = D0041 SPM)**
- Billing data:
 - the number of Metering System Identifiers (MSIDs) on each Settlement Date of the Reporting Period for each Registrant (Market Participant Id (MPID)) categorised by Line Loss Factor Class (LLFC) within each GSP Group. MSIDs will be primary MSIDs only.

P402: Business Requirements – Data Inputs

BR2 LDSOs provide Tariff Setting data

- Each year, within [2] WD of the Settlement Run (type=SF) for the Settlement Date 31 September, each LDSO must provide **half hourly (inc. CVA)** Tariff Setting data to BSCCo.
- Tariff Setting data is described below:
 - A sum of gross Final Demand Imports [total view of demand at all Final Demand sites (MWh) categorised by LLFC within each GSP Group for the reporting period.
 - Final Demand Imports to be provided for all import MSIDs, i.e. all primary and associated MSIDs.
- **As for Billing data, BSCCo will provide Non Half Hourly data (source = D0041 SPM)**

P402: Business Requirements – Data Inputs

BR 3 Validate Billing Report data

BR4 Validate Tariff Setting data

- BSCCo must perform the following validation of Billing Report data provided by each LDSO
 1. Structural validation: validation of the file and data
 2. Business validation: **sense check against thresholds and checks for missing files**

P402: Business Requirements – Data Inputs

BR5 LDSOs to provide LLFC->Residual Charging Band mapping

- Each LDSO must provide an up to date mapping of LLFCs to Residual Charging Band to BSCCo, annually.
- The scope of this mapping includes all LLFCs for all MSIDs registered in both SVA and CVA.
- It must be clear from this mapping which LLFCs are not chargeable and therefore should be excluded from the consolidated set provided to NETSO.
- For CVA sites, LDSOs must use 'dummy LLFCs' and include these in its mapping to Residual Charging Bands.
- For CVA sites, LDSOs must provide a mapping of pseudo MPID to Supplier name (to identify the Registrant)
- The aim is to ensure that all Billing and Tariff data has the correct LLFC and that LLFC is reflected in the LLFC--> Residual Charging Band mapping.

P402: Business Requirements – Data Inputs

- Additional solution option: If LDSOs are able to provide site to CVA MSID mapping, there's, this enables BSCCo to identify the CVA BM Unit which can ultimately be provided to National Grid.

P402: Business Requirements – Data Inputs

BR6 LDSOs provide updated mapping

BR 7 Maintain map of LLFC to Residual Charging Band

- The requirement is to ensure the mapping tables are available and up to date, along with effective from and effective to dates.
- The preferred solution option is to use Market Domain Data (MDD) due to its established governance and change processes. To be confirmed following impact assessment.

P402: Transformation

BR8 Allocate sites/demand to Residual Charging Bands

- BSCCo will allocate the following to the required Residual Charging Bands from the LLFCs using the LLFC--> Residual Charging Band mapping:
 - Each MSID in the Billing Report data
 - Demand categorised by LLFC in the Tariff Setting data
 - For CVA sites there may need to be some manual investigation of MPID/Registrant details

P402: Transformation

BR9 Remove non-chargeable sites

BR10 BSCCo consolidates Billing Report data

BR11 BSCCo consolidates Tariff Setting data

■ Applicable rules

1. MSIDs included are those that are allocated to a Residual Charging Band
2. The list of LDSOs includes all Distribution Network Operators (DNOs) and Independent Distribution Network Operators (IDNOs).
3. If any exceptions have not been resolved at this point, updated data will be picked up in the next Reporting Period.

Is the proposed timescale appropriate?



P402: Transformation

BR12 BSCCo to provide UMS Non Half Hourly Data

- Each day, as part of the P210 'TUoS Report' BSCCo must provide NETSO with additional Non Half Hourly UMS data:
- The solution will provide HH UMS data by aggregating consumption using the following consumption component classes (source = D0040):
 - Data aggregation type DAT = H
 - Metered/unmetered indicator = U
 - Consumption Component Indicator = C
- The solution will provide NHH UMS data by aggregating consumption using the following consumption component classes (source = D0041):
 - Data Aggregation Type = N
 - Metered/unmetered = U
 - Consumption Component Indicator = C

P402: Data Outputs

BR13 BSCCo sends consolidated Billing Report to NETSO

- Within [2WD] of receipt of monthly Billing data, BSCCo must provide NETSO with the consolidated monthly Billing Report.

BR14 BSCCo sends consolidated Tariff Setting Report to NETSO

- Within [2WD] of receipt of Tariff data, BSCCo must provide NETSO with the consolidated Tariff Setting Report.

Is the proposed timescale appropriate?



P402: Exceptions

BR15 Missing data

- In the event that Tariff Setting or Billing Report data is not received for an LDSO, BSCCo must follow up with the LDSO(s) that haven't provided data within 1WD.

BR16 Resolve exceptions with LDSO provided data

- ~~■ Requirement needs to be fleshed out further for the two dispute scenarios~~
 - ~~1. Customer or site is re-banded (bands are decided at the start of price control period), if a site is re-banded will we have to re-run reports?~~
 - ~~2. Erroneous transfer – change of supplier in error.~~



Terms of Reference

P402 Workgroup Terms of Reference

- a) Can LDSOs deliver the data that National Grid require?
- b) Specific definition of what needs to be reported and how frequently it needs to be reported.
- c) How should the reporting specified by this proposal handle data or process errors and disputes?
- d) Consider whether and if so how a one-off set of Tariff Setting Reports should be provided to NETSO before 1 April 2021, in order to set tariffs to take effect from 1 April 2021.
- e) How to ensure the P402 solution is compliant with GDPR regulations?
- f) What changes are needed to BSC documents, systems and processes to support P402 and what are the related costs and lead times?
- g) Are there any Alternative Modifications?
- h) Should P402 be progressed as a Self-Governance Modification?
- i) Does P402 better facilitate the Applicable BSC Objectives than the current baseline?



Next steps

P402 Next Steps

- ELEXON will develop Legal Text, Business Requirements and circulate these for Workgroup review in June 2020.
- WG to review Business Requirements and Legal Text
- Service provider impact assessment issued
- W/C 15 June: Short Workgroup meeting to gather initial views

P402 Proposed Timetable

Event	Date
Present IWA to Panel	12 March 2020
Workgroup meeting 1	31 March 20
Workgroup meeting 2	8 May 2020
Workgroup meeting 3	W/C 15 June 2020
Assessment Procedure Consultation	6 July – 27 July 2020
Workgroup meeting 4	W/C 10 Aug 2020
Present Assessment Report to Panel	10 September 2020
Report Phase Consultation	15 September – 29 September 2020
Present Draft Modification Report to Panel	8 October 2020
Issue Final Modification Report to Authority	13 October 2020

