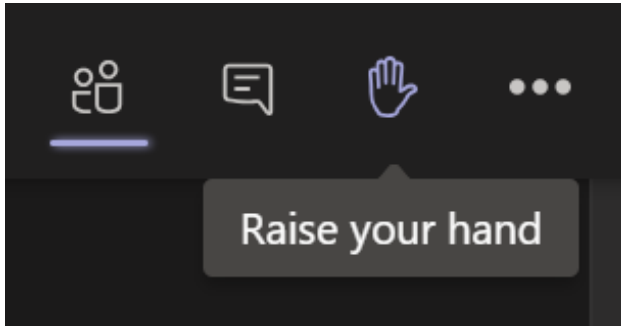


P432 Digital Meeting Etiquette

- Welcome to the P432 Workgroup meeting 4 – we'll start shortly
- No video please to conserve bandwidth
- Please stay on mute unless you need to talk – use the **Raise your hand** feature in the Menu bar in Microsoft Teams if you want to speak



- Talk – pause – talk
- Lots of us are working remotely – be mindful of background noise and connection speeds

ELEXION

**P432 'Half Hourly Settlement for CT
Advanced Metering Systems'**

Workgroup Meeting 4

29 September 2022

Meeting Agenda

Objectives for this meeting:

- Consideration of Ofgem’s send back direction
- Agree a new Implementation approach for P432

Agenda Item	Lead
1. Welcome and meeting objectives	Lawrence Jones (Chair)
2. Summary of Ofgem’s send back direction	Aylin Ocak (Lead Analyst)
3. Compliance timeline	Mark DeSouzaWilson (Market Architect)
4. Terms of Reference	Workgroup
5. Next steps	Aylin Ocak
6. Meeting close	Lawrence Jones



OF GEM'S SEND BACK DIRECTION

Send back direction

- Ofgem sent P432 back to the Panel on 26 August 2022, as it was unable to form an opinion on whether or not P432 should be approved.
- Ofgem recognise the benefits of de-risking the MHHS Programme and as such agree with the recommendation made by the CCDG to migrate CT Advanced Meters ahead of MHHS migration. Ofgem also recognises that in current market conditions, which have changed since this modification's conception, it may not be appropriate to require Suppliers to prioritise migration of CT Meters over the coming months.
- Ofgem agree with concerns that costs to customers might increase inappropriately if their capacity requirements are not properly understood ahead of migration.

Ofgem have directed that additional steps should be undertaken for P432:

- 1) Generate a revised implementation timeframe for P432 which takes appropriate account of the difficulties faced by Suppliers in the current market context but ensures that CT migration is completed sufficiently ahead of the end of MHHS migration to retain the benefit created by de-risking the wider MHHS Programme.
- 2) This work should also take account of the desirability of a DCUSA modification being raised as soon as possible to resolve the issues surrounding excess capacity charging. The purpose of the modification would be to ensure that the end consumer has the opportunity to discuss their appropriate capacity charging before/when they are migrated to HH. The DCUSA modification should come into force before the start of migration under P432.



COMPLIANCE TIMELINE

Compliance timeline

Three milestones for P432:

1. All new connections for CT Advanced Meters to settle HH
 - Currently a fixed date of October 2022.
 - Does the Workgroup want a fixed date, a date relative to MHHS transition milestones, or [2 months] after approval/implementation of P432?
2. Start of CoMC for CT Advanced Meters
 - Currently no explicit date but the “green light” is from the implementation of P432.
 - Ofgem asks the DCUSA modification comes into force first.
 - Can we link P432 implementation to the DCUSA modification Implementation date?
 - Could we prevent supplier-driven CoMCs until the DCUSA modification Implementation date (or a fixed date)?
3. CoMC completion for CT Advanced Meters
 - Currently a fixed date of October 2023
 - Options are to either review the new fixed date or change to a relative date linked to the MHHS transition milestones.
 - Suggestion is complete CoMCs 6 months before milestone M11 (currently Oct 24).



TERMS OF REFERENCE

P432 specific Terms of Reference (1 of 2)

ToR	Details	Status
a)	Should the BSC definition of Advanced Meters be extended from SLC 12.18 to other SLCs?	The Workgroup agreed the definition for Advanced Meters in ‘BSC Section X, Annex X-1’ should be extended so that it captures all HH Metering Systems with remote communications that are not Smart Meters, the legal text has changed so that it is in accordance with SLC 12.19 instead.
b)	What interactions does the proposal have with existing P272 obligations and CP1549?	No interactions. PC 5-8 Meters that are not Advanced won’t settle HH, if Advanced should be HH by now.
c)	Consider removing the ability to CoMC back to NHH?	The Workgroup decided to maintain the ability to move back to NHH to maintain domestic and micro-business opt out rights.
d)	Consideration of exemptions	The Workgroup agreed that domestic and microbusiness premises can opt out of the P432 requirements. The Workgroup also agreed that CT Advanced Meters with no working communications will be exempt from the P432 solution.
e)	Consider impacts on Supplier charges and Performance Levels	The Workgroup reached the consensus that P432 is not likely to materially impact Supplier Charges (in relation to SP04 and SP08), noting that some Suppliers will be more impacted by P432 than others, depending on their Supplier portfolio.

P432 specific Terms of Reference (2 of 2)

ToR	Details	Status
f)	Consideration of the role of Elexon and the PAB in monitoring, reporting and managing the migration and new obligations	The Workgroup consensus is that no new requirements are needed. Some monitoring should be done and the starting point is for Elexon to do that using the data made available by CP1558. If there is a significant risk identified during the monitoring then the PAB and Elexon can then take remedial action accordingly, using existing mechanisms. Ultimately, the MHHS Programme will then make sure the CT meters are moved over to the MHHS TOM which will be picked up under their wider MHHS activities.
g)	Should the references to the P272 implementation date in the BSC be removed, as the implementation date has now passed?	Workgroup consensus is that references to P272 that are no longer relevant should be removed.
h)	Assessment of the costs and benefits, where possible and needed.	The baseline view is that the Workgroup didn't perceive a large impact on costs as the processes are already there, and have already been conducted for P272. The main benefit is that P432 is de-risking the transition to MHHS.
i)	What data cleanse obligations are required?	No data cleanse obligations are obligated under P432, but Suppliers will have to undertake data cleanse activities in order to complete the CoMC activities.
j)	What barriers currently exist that prevent Suppliers from moving Whole Current Advanced Meters to settle HH?	As WC Meters are out of scope of P432, no change is needed to address these. There aren't any barriers, as WC could be moved to HH Settlement now using the existing CoMC process. However, the same issues with moving CT Meters to HH will persist for WC, such as higher costs for consumers.

P432 standard Terms of Reference

ToR	Details	Status
k)	How will P432 impact the BSC Settlement Risks?	<p>Workgroup agreed with the identified BSC Settlement Risks (Low–L, Medium–M, H-High):</p> <ul style="list-style-type: none"> • 003 SVA Risk: Metering Equipment Installations are incorrect - M • 004 SVA Risk: Metering Equipment changes are not notified - H • 005 SVA Risk: Metering Equipment Faults are not resolved - M • 006 SVA Risk: Incorrect Meter detail transfer on change of agent - M • 007 SVA Risk: Metered Data is not retrieved - H • 008 SVA Risk: Metered Data is not processed or transferred - H • 009 SVA Risk: Data Aggregator Processing incorrect - L • 010 SVA Risk: Transfer of Meter Read History incorrect - L • 012 SVA Risk: Meter System Technical Details inaccurate - M • 015 SVA Risk: Reference Data incorrect - L
l)	What changes are needed to BSC documents, systems and processes to support P432 and what are the related costs and lead times? When will any required changes to subsidiary documents be developed and consulted on?	Workgroup agrees P432 is a document only change, impacting BSC Sections L, S, Annex X-1, Z and BSCP516.
m)	Are there any Alternative Modifications?	None raised.
n)	Should P432 be progressed as a Self-Governance Modification?	The Workgroup does not believe that this Modification meets the Self-Governance criteria on the basis that P432 will likely have a material effect on the Code's Governance procedures.
o)	Does P432 better facilitate the Applicable BSC Objectives than the current baseline?	The Workgroup agreed by majority that the Proposed Modification does better facilitate Applicable BSC Objectives c) 'Promoting effective competition in the generation and supply of electricity, and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity' and d) 'Promoting efficiency in the implementation and administration of the balancing and settlement arrangements'.
p)	Does P432 impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?	The Workgroup believe that the redlining does not impact the EBGL Article 18 Terms and Conditions.

Applicable BSC Objectives

The Applicable BSC Objectives are:

- c) Promoting effective competition in the generation and supply of electricity, and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity
- d) Promoting efficiency in the implementation and administration of the balancing and settlement arrangements

Proposer's View

c) Larger consuming electricity sites have the largest impact on Settlement accuracy. CT Metering Systems have the capability to consume more energy than WC Metering Systems, using the actual data available in the already installed Advanced Meter is a minimal additional cost. It enables a smooth migration to the MHHS TOM for Advanced Meters (subject to SCR progression). This Modification will promote effective competition in the generation and supply of electricity because the data will be more accurate and granular which will enable innovation and competition, in line with arguments in P272 and the MHHS business case.

d) This Modification will simplify and clarify the BSC arrangements and consequently better facilitates efficiency in the implementation and operation of the BSC. The Modification will align the definitions between the SLC and the BSC. It will also remove references to the 'P272 go live date' as well as P272 monitoring, reporting and Supplier Migration Plan requirements as these references are obsolete, and furthermore it will provide greater Settlement accuracy.

Previous votes

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
Lee Stone (Proposer)	N	N	+	+	N	N	N
Tom Chevalier	N	N	+	+	N	N	N
Nik Wills	N	N	+	+	N	N	N
Pete Butcher	N	N	+	+	N	N	N
Simon Askew	N	N	-	N	N	N	N
Ian Hall	N	N	+	+	N	N	N
Phil Russell	N	N	N	+	N	N	N
Andy Kelsall	N	N	-	-	N	N	N
Tony Mason	N	N	+	+	N	N	N

+

-

N

Better facilitates Objective

Detrimental against Objective

Neutral against Objective



NEXT STEPS

Next Steps

Event	Date
Workgroup meeting to consider P432 Implementation approach	29 September 2022
P432 Consultation	10 October 2022 – 21 October 2022
Workgroup meeting to consider consultation responses	W/C 24 October 2022
Present revised Draft Modification Report to Panel	10 November 2022
Resubmit Final Modification Report to Authority	16 November 2022

MEETING CLOSE

ELEXON

THANK YOU

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29 September 2022