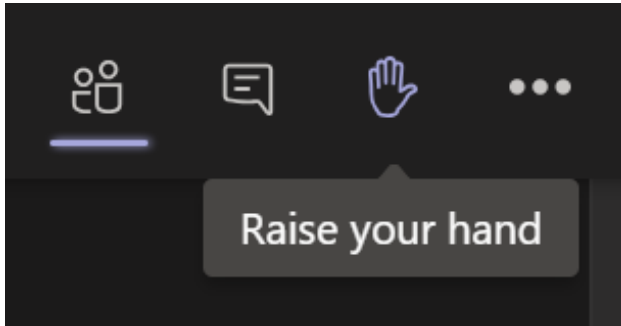


P434 Digital Meeting Etiquette

- Welcome to the P434 Workgroup meeting 2 – 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

**P434 'Mandate to Half Hourly Settle the
Non-Half Hourly Unmetered Supplies
Metering Systems'**

Workgroup Meeting 2

20 May 2022

Meeting Agenda

Objectives for this meeting:

- Agree Draft Legal Text for Proposed Solution
- Agree a solution for the CoMC process

Agenda Item	Lead
1. Welcome and meeting objectives	Lawrence Jones (Chair)
2. Summary of Workgroup 1 and Actions	Aylin Ocak (Lead Analyst)
3. Legal text	Tina Wirth (Lead Lawyer)
4. CoMC Option 2 process	Mark DeSouzaWilson (Design Authority)
5. Data cleanse	Mark DeSouzaWilson
6. Bulk appointments	Mark DeSouzaWilson
7. Latitude/Longitude	Tom Chevalier (Workgroup Member)
8. P434 Assurance	Jessica Davis (Assurance rep)
9.Terms of Reference	Workgroup
10. Next steps	Aylin Ocak
11. Meeting close	Lawrence Jones



WORKGROUP SUMMARY 1 AND ACTIONS

Workgroup 1 Summary & Actions (1 of 2)

Data Flows

- The Workgroup discussed that the current manual process is not suitable for bulk appointments. Instead bulk appointments should be done over the DTN. Sending these data flows is likely to require some system changes which Suppliers will need to bear the cost of, this will need to be consulted on to get Supplier's input.
- The Workgroup discussed that MAs do not typically receive D0139 flows (Confirmation or Rejection of Energisation Status Change). There was no reason to energise or de-energise a HH UMS MSID, so this flow has never needed to be sent. However, a number of these NHH MSIDs are likely to become HH MSIDs and will have periods of the year where under the current arrangements be de-energised. The Workgroup agreed this issue needs to be consulted on.

CoMC process

- Two CoMC options were presented to the Workgroup. The Workgroup had a preference for option 2 which would require changing one of the existing NHH MSID to HH and the remaining MPANs are de-energised/disconnected.

Costs and benefits

- The costs for industry will be consulted on as part of the Assessment Procedure Consultation. Respondents will be asked to consider the cost and impacts of CoMC option 2 as well as CoMC option 1.

Workgroup 1 Summary & Actions (2 of 2)

Actions

- Draft the legal text in a way that the timelines are relative
- Work up consultation questions around the use of data flows
- Elexon to pick up PECU Arrays issue with Unmetered Supplies User Group and/or a new Issue Group
- Determine how to carry out the assurance for P434
- Consider what information will needed to be added in the templates for the data cleanse
- Bring legal drafting to the next Workgroup meeting and to review BSCP502



LEGAL TEXT



COMC OPTION 2 PROCESS

What should the option 2 process look like?

CoMC option 2:

CoMC option 2 will involve changing the CoMC process in BSCP520 so that one of the existing NHH MSID is changed to HH and the remaining MSIDs are de-energised/disconnected.

Areas to consider:

- Suppliers will manage engagement with the customer but would the process need to be driven by UMSO or Supplier?
- Can the UMS Certificate be amended or would the UMSO need to recall & re-issue?
- How do we identify the MSID to be retained, and the ones to de-energise & disconnect?
- At what point does the Supplier de-appoint the NHHDC/DA and appoint the MA, HHDC/DA?



DATA CLEANSE

Data Cleanse

Process

- The data cleanse activity will be carried out between April 2023 and October 2023
- UMSOs are expected to lead the data cleanse with input from the Supplier
- Supplier should be mandated to provide the contact details to the UMSO
- UMSO can disconnect stray MSIDs

Areas to consider:

- What do UMSOs need to cleanse erroneous MSIDs?
- Do the data cleanse activities need to be planned, or coordinated centrally?



BULK APPOINTMENTS

Bulk appointments

The current appointments process involves a number of manual elements – we need to ensure MAs have the correct data. HHDCs are also not informed of who the MA is via a flow.

Using the DTN

Pros:

- A more structured process is needed for appointments as a large number of MSIDs are migrated to HH

Cons:

- Will require a sizeable system change for Suppliers - an additional cost to Suppliers
- Only a temporary issue, once we move to MHHS there will be a new appointment system in place – do industry want to spend time and money on a system which won't be used after October 2025?

Alternative option

Could use a spreadsheet for bulk appointments instead.

Can we improve the current manual process to enable it to meet our requirements for the bulk CoMC?



LATITUDE/LONGITU
DE

Latitude/Longitude available to the MA

The Lat/Long for each MPAN/Submeter is a key data item to calculate the sunset/sunrise times and materially differs across the country and across the year.

Currently the UMSO and MA agree the Lat/long used for each SubMeter, which has been done via email for the few hundred MPANs, for 20,000 MPANs this is not feasible.

There are several approaches:

1. Use the MPAN site address postcode of the MPAN to derive the Lat/Long
2. Add a new field into the D0388 which the UMSO populates each time the flows is sent
3. Introduce a new flow completely
4. Just default to a GSP group average Lat/Long

The least change is to use the GSP Group average Lat/Long.

The next least change would be site address postcode. However there are some issues with this:

- MRA MAP has been revised and updated in the REC to specify the post code in UMS site addresses, broadly two types:
 - Site specific – Toddington parish council Christmas lights – then a specific post code – as the equipment is tightly located, or
 - Spread over an area – BT payphones in East Anglia – which are then given a generic non PAF post code UM5 5UP (there are a few variations), this would default to the GSP Group Lat/Long on the basis that the equipment is spread evenly over the GSP Group.
- Although the MAP made these requirements and there has been data cleansing occurring, it is not clear if this has all been sorted
- If the post code becomes the key method, then this needs cleansing.

If a method other than the post code is used then the UMSO will need to identify the Lat/Long for each MPAN/Submeter



P434 ASSURANCE

P434 Assurance

- Elexon does not believe any additional assurance activities are needed to monitor or manage any migration resulting from P434:
- No UMS Risks are Focus Risks in 2022/23 Risk Operating Plan
 - Total consumption from UMS MSIDs makes up a very small percentage of the marketplace
- P434 was discussed with the PAB – they agreed no assurance activities were needed (i.e. ‘bigger’ things to focus on)
 - Failure to migrate UMS MSIDs to HH from NHH would have negligible Settlement impact
- The PAB noted P434 would affect much smaller volumes than P432 – which the PAB already wanted a very light touch approach for
- Elexon and PAB time and resource better spent on other areas with greater Settlement impact
- As with P432, engagement with Parties beforehand would be a key priority
- If any issues or problems are identified, will be easily able to apply any appropriate assurance measures or techniques



TERMS OF REFERENCE

P434 specific Terms of Reference

ToR	Details	Status
a)	Consideration of the role of Elexon and the PAB in Migration planning and data cleansing.	TBC
b)	Should the CoMC process in BSCP520 change?	The Workgroup consensus was that the CoMC process in BSCP520 should change so that one of the existing NHH MSID is changed to HH and the remaining MSIDs are de-energised/disconnected.
c)	Do Suppliers need to change their customers' contracts to reflect cost changes?	The Workgroup consensus was that given we are going with CoMC option 2 a contract change is not perceived but there could be tariff changes to reflect the cost differences of the MA coming in and potentially to capture any TOU benefits. Under option 2 it won't be necessary to break customer contracts as retaining an MSID you already have some form of agreement in place (tariff or agreed contract).
d)	Consider whether Suppliers should seek commercial arrangements with MAs directly or if customers should have the option to pick their MA.	The Workgroup consensus was that customers should keep the ability to pick their MAs.
e)	Assessment of the costs and benefits, where possible and needed.	Costs for industry will be consulted on as part of the Assessment Procedure consultation. CoMC option 2 will be put forward however Workgroup consensus was that we should also ask participants their cost estimates for CoMC option 1.

P434 standard Terms of Reference

ToR	Details	Status
f)	How will P434 impact the BSC Settlement Risks?	Workgroup agreed with the identified BSC Settlement Risks.
g)	What changes are needed to BSC documents, systems and processes to support P434 and what are the related costs and lead times? When will any required changes to subsidiary documents be developed and consulted on?	Workgroup agreed P434 is a document only change, costing Elexon <£1K to implement the change.
h)	Are there any Alternative Modifications?	None raised.
i)	Should P434 be progressed as a Self-Governance Modification?	Workgroup consensus was that it should not be progressed as a Self-Governance Modification.
j)	Does P434 better facilitate the Applicable BSC Objectives than the current baseline?	Workgroup's initial views by majority was P434 better facilitates Applicable BSC Objectives C and D. Two members agreed with D but were neutral on C.
k)	Does P434 impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?	TBC

Impacts of P434 on consumer benefit areas

Consumer benefit area	Identified impact
1) Improved safety and reliability	Neutral
2) Lower bills than would otherwise be the case Bills will be more accurate, but it is offset by the MA costs, so the impact is neutral.	Neutral
3) Reduced environmental damage HH Settlement of UMS allows new technologies such as central management systems to be used to reduce lighting load which will help the move to net zero and de-carbonisation.	Positive
4) Improved quality of service The additional data the MA role facilitates is likely to improve the quality of service and benefits end consumers.	Positive
5) Benefits for society as a whole	Neutral

- A Workgroup member pointed out that the consumer benefits are about migrating NHH UMS MSIDs to HH rather than bringing the migration forward for P434. However, by bringing the migration forward these benefits will be realised earlier.
- The main benefit of this Modification is that it will de-risk the transition to MHHS, early migration will allow time for Customers, Suppliers and UMSOs to address any issues that may arise.

How will P434 impact the BSC Settlement Risks?

- [011 SVA Risk: Unmetered Supplies volumes calculated incorrectly](#)
 - Risk 11 captures all risks that may exist in UMS sites.

**What changes are needed to BSC documents, systems and processes to support P434 and what are the related costs and lead times?
When will any required changes to subsidiary documents be developed and consulted on?**

Code and Subsidiary Documents

- BSC Section S 'Supplier Volume Allocation'
- BSCP520 'Unmetered Supplies Registered in SMRS'
- BSCP516 'Allocation of Profile Classes and SSC's for Non Half Hourly SVA Metering Systems Registered in SMRS'

- Document only change – Legal text and BSCP520 to be drafted part of the Assessment phase, BSCP516 to be drafted during the Implementation phase
- Cost estimate to implement document changes = <£1k

Are there any Alternative Modifications?

- The Workgroup is invited to consider any Alternative Modifications.

Should P434 be progressed as a Self-Governance Modification?

- **Proposer view:**

- P434 should **not** be treated as a Self-Governance Modification as it will likely have a material impact on:
- Competition; and
- Existing or future electricity consumers as the movement to HH changes how charges are levied on customers, which is a consequence of Settlement changing. Volume will be a portion to this time period based on accurate calculations.

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) The Modification enables a smooth transition to the MHHS TOM for Unmetered Supplies. The Modification will promote effective competition in the generation and supply of electricity because the data will be more accurate and granular which will enable more accurate purchasing and promote innovation and competition.
- d) The HH Settlement of UMS is more accurate, efficient and robust than the NHH processes which currently require Material Error Monitoring processes to be undertaken on a regular basis. This Modification will therefore better facilitate Applicable BSC Objective (d) as it will introduce more efficient and effective processing of UMS data for Settlement.

Does P434 better facilitate the Applicable BSC Objectives than the current baseline?

The Applicable BSC Objectives are:

- a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence
- b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System
- 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**
- e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]
- f) Implementing and administering the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation
- g) Compliance with the Transmission Losses Principle

Initial Views

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
Lee Stone (Proposer)	N	N	+	+	N	N	N
Annika Moody	N	N	+	+	N	N	N
Ryan Parker	N	N	+	+	N	N	N
Phil Russell	N	N	N	+	N	N	N
Nik Wills	N	N	N	+	N	N	N
Richard French	N	N	+	+	N	N	N
Simon Askew							
Tom Chevalier							
John Greene							
Meg Wong							
Leanne Yates							

+

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N

Better facilitates Objective

Detrimental against Objective

Neutral against Objective

Does P434 impact the EBGL provisions held within the BSC?

- This Modification is not expected to impact the EBGL Article 18 terms and conditions held within the BSC.

Do you agree with the implementation approach?

- The Proposer recommends this Modification is implemented via a special release, five Working Days after Authority approval.

Standard Consultation Questions

- 1) Do you agree with the Workgroup's initial views that P434 does/does not better facilitate the Applicable BSC Objectives than the current baseline?
- 2) Do you agree with the Workgroup that the draft legal text in Attachment C delivers the intention of P434?
- 3) Do you agree with the Workgroup's recommended Implementation Date?
- 4) Do you agree with the Workgroup that there are no other potential Alternative Modifications within the scope of P434 which would better facilitate the Applicable BSC Objectives?
- 5) Do you agree with the Workgroup's assessment of the impact on the BSC Settlement Risks?
- 6) Do you agree with the Workgroup's assessment that P434 does/does not impact the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the BSC?
- 7) Will P434 impact your organisation?
- 8) Will your organisation incur any costs in implementing P434?
- 9) How long (from the point of approval) would you need to implement P434?
- 10) Do you have any further comments on P434?

Additional Consultation Questions

- 1) What is the best mechanism for bulk appointments? Would the benefits of using the DTN outweigh the costs?
- 2) Do you agree Meter Administrators should receive D0139 (Confirmation or Rejection of Energisation Status Change) data flows? Would the benefits of this outweigh the costs?
- 3) What would be the total cost to your organisation if CoMC option 1 is used?
- 4) What would be the total cost to your organisation if CoMC option 2 is used?
- 5) Do you agree P434 will decrease the risks associated with transition to the MHHS TOM and to what extent will it decrease the risks?
- 6) Will your organisation incur additional costs as a result of P434 that you would not have incurred under MHHS? Alternatively, would there be any cost savings from migrating NHH UMS Metering Systems before the MHHS migration?
- 7) Do you agree with the Workgroup's assessment of the impact on the consumer benefit areas?



NEXT STEPS

Progression plan

Event	Date
Present IWA to Panel	10 February 2022
Workgroup meeting 1	18 March 2022
Workgroup meeting 2	20 May 2022
Workgroup meeting 3	8 June 2022
Assessment Procedure Consultation (15WDs)	21 June 2022 – 12 July 2022
Workgroup meeting 4	W/C 18 July 2022
Present Assessment Report to Panel	11 August 2022
Report Phase Consultation (10WDs)	15 August – 29 August 2022
Present Draft Modification Report to Panel	8 September 2022
Issue Final Modification Report to Authority	14 September 2022

MEETING CLOSE

ELEXON

THANK YOU

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20 May 2022