ELEXON

P455 Workgroup Meeting 2 Summary

Summary

1. Meeting Objectives

The Chair welcomed attendees and presented the meeting objectives of reviewing the new Terms of Reference (ToR) and discussing ToR a), b), c), e) and g)

2. ToR a): Does the proposed on-site aggregation methodology result in accurate settlement outcomes (particularly in relation to difference metering)?

- 2.1 The proposer started by reviewing the ToR and presenting the methodology for on-site aggregation to facilitate Third Party Access on private networks. BSCP502 was reviewed, with particular emphasis on the Difference Metering methodology, and how on-site aggregation achieves the same outcomes while making it easier for Customers to choose Third Party Suppliers.
- 2.2 The conclusion was that the aggregated methodology produces the same settlement results as Difference Metering, but using a simplified method that, by not requiring involvement of Third Party Supplied Customers, their Suppliers, or their Suppliers' agents, makes it easy for Customers to choose Third Party Suppliers.
- 2.3 A workgroup (WG) member asked if this solution applies to all meter types, including non-half hourly. It was clarified that the sub Meters involved in the On-Site Aggregation Method are proposed to be <u>Code of Practice</u> (<u>CoP</u>) 10¹ compliant and would all be operated on a half hourly basis.
- 2.4 Then Elexon opened the discussion and asked the WG if the ToR a) could be marked as resolved, and it was approved.

3. ToR b): What testing should be required to validate the solution is correctly implemented, and should this include an unmetered load tests?

- 3.1 The proposer presented the findings from Emergent's Sandbox trial of the On-Site Aggregation method, which required a so-called 'proving test' to be conducted, to check for unmetered loads, as these cause adverse and incorrect Settlement. The test was shown to have presented many difficulties, due to the requirement for the Private Network Operator to access meters for which it has no access to.
- 3.2 The proposer also argued that Difference metering does not in practice captured existing unmetered loads on the smaller sites that are the focus of the mod, because, since the solution does not work as a means to facilitate Third Party Access, it is not used in the industry. On this basis, the proposer argued it was wrong to require the On-Site Aggregation method to achieve an outcome that is not required of other settlement processes.
- 3.3 The conclusion was that, in addition to the proposed test being extremely costly to implement for negligible gain, since Difference metering does not solve instances of existing unmetered loads, P455 should not have to solve them either. A site comparable in scope to a Complex Site Validation Test was argued to be sufficient to test the On Site Aggregation Method and should be applied to P455.
- 3.4 The Aggregation Method is only proposed to apply to sub 100kW Metering Systems and so it was noted that the risk of unmetered loads could still be picked up in larger Metering Systems where difference metering is applied more often and correctly.
- 3.5 Then Elexon opened the discussion and asked the WG if the ToR b) could be marked as resolved and it was approved.

¹ https://bscdocs.elexon.co.uk/codes-of-practice/code-of-practice-5-the-metering-of-energy-transfers-with-maximum-demand-of-up-to-and-including-1mw-for-settlement-purposes

- 4. ToR c): Is it right that the boundary meter HHDC and HHMOA are responsible for operations related to the sub-meters, given private network operators are responsible for these meters on a day-to-day basis, and given the move to new arrangements under MHHS?
- 4.1 The proposer argued that this was the most straightforward arrangement for the industry to adopt, and should be uncontroversial.
- 4.2 The proposer noted that Ofgem has confirmed that P455 is exempt from the Significant Code Review (SCR). A consequential Change Request to the Market Half Hourly Programme (MHHP) will be needed, to adjust the Code to this solution, and align both the BSC and MHHS Code Artefacts to the same terminology.
- 4.3 It was asked if P455 will have impacts on the MHHS migration, but it was explained by Elexon that the P455 solution is simpler than the Difference Metering and would be simple to migrate.
- 4.4 A WG member asked if P455 will force Private Network Owners (PNO) to join the BSC. Since no new roles are proposed under this solution and so the PNO will need to work with a registered Supplier and qualified Supplier Agents.
- 4.5 Then Elexon opened the discussion and asked the WG if the ToR c) could be marked as resolved and it was approved.

5. Updates on ToR e) and g)

5.1 Regarding ToR g), it was explained that P455 can be implemented independently of the current DCUSA Sandbox and consequential changes. There was a discussion about whether there is a need for a central repository of Private Networks using the aggregation method. The Complex Site Supplementary Information Form recently changed to include a requirement to link Boundary Points MSIDs to any embedded MSIDs below it and so any solution under P455 should do the same.

6. Next steps

- 6.1 The WG then reviewed the remaining ToR and agreed on which ones would need extra background information to facilitate the discussion.
- 6.2 Next meeting will focus on ToR I) and g), leaving h) and the legal text drafting for the end.

Actions

No.	Action	Owner
1.	Background slide about DCC smart meter	Elexon
2.	Background slide about ToR f): Is there an impact on BSC Metering Dispensations?	Elexon
3.	Slide on the settlement considerations related to P455 (ToR i)	Elexon
4.	Elexon to prepare the discussion on ToR j)	Elexon

Appendix

Specific Terms of Reference

ToR	Description
a)	Does the proposed on-site aggregation methodology result in accurate settlement outcomes (particularly in relation to difference metering)?
b)	What testing should be required to validate the solution is correctly implemented, and should this include an unmetered load tests?
c)	Is it right that the boundary meter HHDC and HHMOA are responsible for operations related to the sub-meters, given private network operators are responsible for these meters on a day-to-day basis, and given the move to new arrangements under MHHS?
d)	Is it right that the sub-meters should conform to COP10 standards?
e)	Should there be a requirement for Elexon to maintain a central database of sites where on-site aggregation is applied? Do the benefits of maintaining a central register outweigh the costs of creating and maintaining his central register? Do PNOs/DNOs have all the necessary data to manage schemes?
f)	Is there an impact on BSC Metering Dispensations?
g)	Is this proposal independent from any DCUSA change?
h)	Is a Cost-Benefit Analysis required?
i)	Is it right that the scheme is limited to sub-100kW sites?
j)	Is it right that the MSIDs of Customers of a PN should be de-energised instead of logically disconnected, in order to minimise barriers to the Customer subsequently choosing a third party supply? Are there other ways in which the need to swap customers meters when they move in and out of schemes could be reduced/avoided?
k)	Is it right for the solution not to be captured under the complex site arrangements within BSC?
I)	Is a physical boundary meter required to implement the solution, and should it be?
m)	What are the arguments for and against creation of a new market role for PNOs (e.g. access to industry data access; market competition)?