

CP1532 'Reduce Half Hourly Change of Supplier timelines to meet the Initial Settlement Run'

ELEXON



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About This Document

The purpose of this CP1532 Change Proposal (CP) Consultation is to invite BSC Parties, Party Agents and other interested parties to provide their views on the impacts and the merits of CP1532. The SVG will then consider the consultation responses before making a decision on whether or not to approve CP1532.

There are five parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, and proposed implementation approach. It also summarises the SVG's initial views on the proposed changes.
- Attachments A-C contain the proposed redlined changes to deliver the CP1532 solution.
- Attachment D contains the specific questions on which we seek your views. Please use this form to provide your response to these questions, and to record any further views or comments you wish to be considered.

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Why change?

One of the main aims of [Ofgem's Switching programme](#) is to allow customers, whether domestic or non-domestic, to change Supplier no more than two Working Days (WDs) after the day on which the switch request is submitted. Whilst it is expected that there will be longer Change of Supplier (CoS) lead times for larger Half Hourly (HH) customers and group customers, the shortened lead times are likely to apply for smaller non-domestic and elective HH domestic customers.

Even if all Agents and Suppliers utilise the maximum amount of time currently available to them, the Non Half Hourly (NHH) CoS process will complete by the Initial Settlement Volume Allocation Run (SF Run) – carried out at approximately 16 Working Days. However, this is not the case in the Half Hourly CoS process, which can currently take up to 22 WDs and would therefore miss the SF Run, resulting in estimated volumes of energy being allocated in Settlement.

Whilst Suppliers and Agents usually operate within the maximum timescales available, it is preferable that the CoS processes are designed to complete by the SF Run, rather than relying on good operational practices. Timescales for the NHH CoS process were shortened in November 2014 following the implementation of Change Proposal [CP1405 'Facilitating Faster Switching in the NHH Market'](#). This Change Proposal (CP) seeks to align the HH timescales with those of the NHH process, where it is appropriate to do so.

Solution

This CP will update CoS timescales within [BSCP502](#), [BSCP504](#) and [BSCP514](#) to ensure that all activities can be completed by the Initial Settlement Run (SF). It will also align appointment and de-appointment timescales (in both the NHH and HH processes) with the expected changes introduced to facilitate the Switching programme.

Impacts and costs

CP1532 is expected to impact Suppliers, Meter Operators (MOA), Non Half Hourly Data Collectors (NHHDC) and Half Hourly Data Collectors (HHDCs). We believe that process and system changes may be required to implement the solution, but seek confirmation of this through this CP Consultation.

Implementation

CP1532 is proposed for implementation on **25 February 2021** as part of the February 2021 BSC Release.

2 Why Change?

What is the Switching Programme?

The [Retail Energy Code \(REC\)](#) and [Central Switching Service \(CSS\)](#) are key components of Ofgem's Switching Programme. The objective of the Switching Programme is to improve customers' experience of switching, leading to greater engagement in the retail energy market by designing and implementing a new switching process that is reliable, fast and cost-effective. The [Retail Code Consolidation \(RCC\) Significant Code Review \(SCR\)](#) will consolidate existing Industry Codes into the REC.

RCC SCR changes are expected to be implemented on 1 April 2021. However, we are aware that Ofgem are reviewing the SCR plans in response to COVID-19.

The [Switching SCR](#) will implement a new switching process, utilising the CSS and requiring consequential changes to the Change of Supplier, registration and Agent processes in the BSC. These changes are highlighted in redlining sent to Ofgem on 31 March 2020 and are not part of this CP. Switching SCR changes were expected in summer 2021, but as a result of the Covid-19 pandemic and following a recent Ofgem announcement, are likely to be delayed until at least September 2021.

Issue 86 Background

ELEXON, on behalf of the [BSC Panel](#), [was requested](#), to inform Ofgem how processes relating to CoS and Change of Agent (CoA) would be impacted by the Switching Programme. These processes will impact:

- Data Collectors (DCs)
- Data Aggregators (DAs)
- MOAs
- Suppliers

Issue 86 was raised by ELEXON to consider the changes needed to the BSC and its subsidiary documents to facilitate the Switching and RCC SCRs. As part of [Issue 86 Review of processes potentially impacted by Ofgem's Switching Programme](#), the workgroup was asked to identify where processes, particularly timescales, will need to be amended to meet delivery of the RCC and Switching SCRs in 2021. If there was an opportunity to implement changes ahead of CSS go-live, they would be considered on the basis there was no risk to impairing REC and/or CSS related Changes. This proposal is one such example of this.

What is the issue?

The Issue 86 workgroup identified inconsistencies around the CoS process within BSCP502 'Half Hourly Data Collection for SVA Metering Systems Registered in SMRS', BSCP504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS' and BSCP514 'SVA Meter Operations for Metering System Registered in SMRS'. In particular an inconsistency between the processes were identified following the implementation of CP1405 which shortened the timescales in the NHH CoS process, but not the HH CoS process. In many cases there is no clear rationale for allowing longer timescales in the HH CoS process, particularly as most responses to requests from other participants should be automated in all bar error situations.

It is not currently possible for HH Supplier Agents to complete CoS activities by the Initial Settlement Run, if the CoS process is initiated two WDs ahead of the Supply Start Date (SSD) and if Suppliers and their Agents use the maximum lead times available within the relevant BSCPs. If Suppliers and Agents use the maximum lead time available to them, this could result in estimated data entering Settlement, due to the subsequent Agent appointment and data transfer processes not completing in time to provide actual data in the Initial Settlement Run.

The current arrangements are therefore not aligned with Ofgem's Switching Programme objectives, as delays to Settlement may also result in delays to customer billing.

The Issue 86 workgroup also concluded that the timescales for the D0155 'Notification of Meter Operator or Data Collector Appointment and Terms' and D0151 'Termination of Appointment or Contract by Supplier' across the HH and NHH processes in the BSCPs would benefit from alignment with the changes proposed in the REC.

An example of this is in the proposed changes in BSCP502 Clause 3.2.7 Concurrent Change of Supplier and HHDC for an existing SVA Metering System to change the timing of sending a D0155 to 'by SSD – 1WD'. An equivalent clause in BSCP504 for NHHDCs, 3.2.6 Change of Supplier for an existing SVA Metering System has a D0155 to be sent 'As required'. The proposed redlining for this CP changes this to 'by SSD – 1WD' to ensure uniformity with the new REC processes.

Updating and clarifying the timelines around the CoS process within these BSCPs will align with the objectives of the REC and Switching SCR in 2021 and ensure that the HH CoS process, in particular, will complete by the SF Run, by design rather than good practice.



Proposed solution

This CP will update CoS timescales within BSCP502, BSCP504 and BSCP514 to ensure that all activities can be completed by the Initial Settlement Run, which is not currently possible with the existing Half Hourly timescales if Suppliers and Agents use the maximum lead times available to them in the BSCPs.

It will also align the sending of D0155 and D0151 dataflows in the BSCPs for HH and Non Half Hourly (NHH) CoS processes so they are consistent across the documents and appointment of Agent activities.

Dataflows within BSCPs that will have timescale changes (no changes to the dataflow required):

- [D0011: Agreement of Contractual Terms](#)
- [D0148: Notification of Change to Other Parties](#)
- [D0151: Termination of Appointment or Contract by Supplier](#)
- [D0155: Notification of Meter Operator or Data Collector Appointment and Terms](#)
- [D0170: Request for Metering System Related Details](#)
- [D0268: Half Hourly Meter Technical Details](#)
- [D0289: Notification of MC/EAC/PC](#)
- [D0302: Notification of Customer Details](#)

Proposer's rationale

By ensuring the HH CoS process is completed by the SF Run and ensuring Agents are in place and the relevant data has been transferred in order to enable them to collect actual data, this will reduce the amount of estimated data that Suppliers are reported against, assisting in their ability to settle at least 99% of their energy for import sites on Actual Energy and reducing potential Supplier Charges for not achieving this or ultimately entering the Error and Failure Resolution (EFR) process.

Settlement

Settlement Risk 0081 states 'A Supplier settles at least 99% of its energy for imports sites on Actual Energy at SF and R1.' The initial Settlement Run (SF) is +16 Working Days following a given Settlement Day.

CP Consultation Question

Do you agree with the CP1532 proposed solution?

Please provide your rationale.

We invite you to give your views using the response form in Attachment D

Proposed redlining

Attachments A-C contain the proposed changes to BSCP502, BSCP504 and BSCP514 to deliver CP1532.

CP Consultation Question

Do you agree that the draft redlining delivers the CP1532 proposed solution?

If 'No', please provide your rationale.

We invite you to give your views using the response form in Attachment D

4 Impacts and Costs

Central impacts and costs

CP1532 will require changes to BSCP502, BSCP504 and BSCP514. No system changes are required and there will be no impact on BSC Agents.

The central implementation costs for CP1532 will be approximately £500 (two ELEXON man days) to implement the relevant document changes.

Central Impacts	
Document Impacts	System Impacts
<ul style="list-style-type: none">BSCP 502 'Half Hourly Data Collection for SVA Metering Systems Registered in SMRS'BSCP504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS'BSCP514 'SVA Meter Operations for Metering Systems Registered in SMRS'	None

BSC Party & Party Agent impacts and costs

CP1532 is expected to impact Suppliers, MOAs, NHHDCs and HHDCs. We believe process and system changes will be required to implement the solution but seek confirmation of this through this CP Consultation.

No other BSC Parties or Party Agents are expected to be impacted.

BSC Party & Party Agent Impacts	
BSC Party/Party Agent	Impact
Supplier	Changes will be required to implement the solution.
MOA	Changes will be required to implement the solution.
NHHDC	Changes will be required to implement the solution.
HHDC	Changes will be required to implement the solution.

CP Consultation Questions

Will CP1532 impact your organisation?

If 'Yes', please provide a description of the impact(s) on your organisation and any activities which you will need to undertake between the approval of CP1532 and the CP1532 Implementation Date (including any necessary changes to your systems, documents and processes). Where applicable, please state which of the roles that you operate as will be impacted and any differences in the impacts between each role.

Will your organisation incur any costs in implementing CP1532?

If 'Yes', please provide details of these costs, how they arise and whether they are one-off or on-going costs.

We invite you to give your views using the response form in Attachment D

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5 Implementation Approach

Recommended Implementation Date

CP1532 is proposed for implementation on **25 February 2021** as part of the [February 2021 BSC Release](#).

The February 2021 Release is the next available Release that can include this CP. We also believe this is likely the last available Release to include this CP in until after the REC has gone live.

Subject to approval by the SVG on 1 September 2020, this will leave approximately five to six months to implement. We recognise that it is a busy period, exacerbated by the current Covid-19 situation, but once Ofgem has directed the SCR changes, there is likely to be a moratorium on changes impacting the SCRs. As Ofgem is minded to transfer key Meter Operator requirements to the REC, the proposed changes would effectively become cross-code changes, if not agreed before November 2020. This would probably mean that the changes could not be made until after the implementation of the SCRs.

It was also agreed with the Issue 86 Group and with Ofgem, that any changes raised from the Issue Group should not be directed through the SCRs, due to industry familiarity with the current change process and to ensure that the CP has full industry visibility. There is a risk that Suppliers and Agents could miss the changes, if they were part of the significant number of changes being made across eight industry codes under the SCRs.

Due to its alignment with the objectives of the Switching Programme, we are targeting February 2021 to ensure there is no delay in implementation.

Following [Ofgem's announcement on 31 March 2020](#) that there would be a delay to the wider switching programme we contacted Issue 86 Members to understand if they would be in favour of CP1532 being raised for an implementation date of November 2020 or February 21. Out of nine recipients, four were in favour of aiming for November, four in February and one participant suggested June 2021. Following the responses we spoke to Ofgem who confirmed we could target an implementation date of February 2021.

Due to a combination of COVID-19 and ELEXON system issues we were unable to raise the CP in a timescale to target November 2020 and therefore February 2021 is the first release this CP can target.

CP Consultation Question

Do you agree with the proposed implementation approach for CP1532?

Please provide your rationale.

We invite you to give your views using the response form in Attachment D

SVG's initial views

The Supplier Volume Allocation Group (SVG) considered CP1532 at its meeting on 3 March 2020 ([SVG229/17](#)) as part of Other Business and Matters Arising, rather than via the usual Progression Paper. Following the Issue 86 recommendation to progress this CP there was not sufficient time to submit a Progression Paper without adding an extra month to the progression timeline of this CP. The view was taken that it was better to give more time to implement this CP, than to present a Progression Paper.

The SVG confirmed they were happy for the CP to go straight to consultation phase and did not ask for any additional questions to be added to the CP Consultation.

Appendix 1: Glossary & References

Acronyms

Acronyms used in this document are listed in the table below.

Acronyms	
Acronym	Definition
BSCP	Balancing and Settlement Code Procedure
CoA	Change Of Agent
CoS	Change of Supplier
CP	Change Proposal
CSS	Central Switching Service
DA	Data Aggregator
DC	Data Collector
EFR	Error and Failure Resolution
HH	Half Hourly
MOA	Meter Operator
NHH	Non Half Hourly
NHHDC	Non Half Hourly Data Collector
RCC	Retail Code Consolidation
REC	Retail energy Code
SCR	Significant Code Review
SF	Initial Settlement Run
SVG	Supplier Volume Allocation Group
WD	Working Days

DTC data flows and data items

DTC data flows and data items referenced in this document are listed in the table below.

DTC Data Flows and Data Items	
Number	Name
D0011	Agreement of Contractual Terms
D0148	Notification of Change to Other Parties
D0151	Termination of Appointment or Contract by Supplier
D0155	Notification of Meter Operator or Data Collector Appointment and Terms
D0170	Request for Metering System Related Details
D0268	Half Hourly Meter Technical Details
D0289	Notification of MC/EAC/PC
D0302	Notification of Customer Details

External links

A summary of all hyperlinks used in this document are listed in the table below.

All external documents and URL links listed are correct as of the date of this document.

External Links		
Page(s)	Description	URL
2	Ofgem Switching Programme	https://www.ofgem.gov.uk/electricity/retail-market/market-review-and-reform/smarter-markets-programme/switching-programme
2	CP1405	https://www.elexon.co.uk/change-proposal/cp1405/
2	BSCP502	https://www.elexon.co.uk/documents/bsc-codes/bscps/bscp502/
2	BSCP504	https://www.elexon.co.uk/documents/bsc-codes/bscps/bscp504/
2	BSCP514	https://www.elexon.co.uk/documents/bsc-codes/bscps/bscp514-2/
3	Retail Energy Code	https://www.ofgem.gov.uk/licences-industry-codes-and-standards/industry-codes/electricity-codes/retail-energy-code-rec
3	Central Switching Service	https://www.ofgem.gov.uk/publications-and-updates/uk-link-and-proposed-central-switching-service
3	RCC SCR	https://www.ofgem.gov.uk/publications-and-updates/retail-code-consolidation-scr-launch-statement
3	Switching SCR	https://www.ofgem.gov.uk/publications-and-updates/switching-significant-code-review-launch-statement-and-request-expressions-interest-participate-programme-workgroups
3	BSC Panel	https://www.elexon.co.uk/group/the-panel/
3	Issue 86	https://www.elexon.co.uk/smg-issue/issue-86/
5	DTC Flows	https://dtc.mrasco.com/ListDataFlows.aspx
7	ELEXON Releases	https://www.elexon.co.uk/change/releases/the-release-and-implementation-process/
7	SVG 229	https://www.elexon.co.uk/meeting/svg229/
9	Switching Programme Delay	https://www.ofgem.gov.uk/publications-and-updates/ofgem-information-energy-licensees-coronavirus-covid-19-response