PAB209/05 – PROPOSAL TO WRITE TO CICCOP REGARDING ICP COMMISSIONING CONCERNS

MEETING NAME PAB 209

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Purpose of paper Decision

Classification Public

Summary Feedback received from Independent Distribution Network Operators (IDNOs),

Licensed Distribution System Operators (LDSOs) and Meter Operator Agents (MOAs) through the undertaking of P283¹ Error and Failure Resolution (EFR) plans and exit checks has highlighted concerns around Independent Connection

Providers (ICPs) in the undertaking of Commissioning.

1. Commissioning

1.1 Commissioning is a key control in ensuring that Metered Volumes recorded by Metering Systems are accurate. Failures in Commissioning can result in significant Settlement Errors which can be extremely difficult to detect. Missing and incomplete Commissioning records remain one of the key drivers for material Trading Disputes processed by ELEXON.

2. ICPs and Commissioning

Concerns Highlighted by BSC Parties and Agents

- 1.2 ELEXON has frequently received feedback from IDNOs, LDSOs and MOAs through its EFR processes indicating that key drivers for non-compliance with respect to P283 Commissioning obligations include:
 - i) ICPs failing to fulfil BSC obligations with respect to Commissioning; and
 - ii) The limited contractual and regulatory powers IDNO's and LDSO's have over ICPs.
- 1.3 While much of this feedback remains anecdotal, ELEXON has collated evidence of non-compliances driven by failures on the part of ICPs provided by five (5) LDSO MPIDs through P283 EFR exit checks.
- 1.4 A BSC Party has also formally raised this with ELEXON as an issue.

ICP Processes

- 1.5 ELEXON reached out to an ICP in order to gain a better understanding of their processes. It is ELEXON's understanding that ICPs should, once having fitted a Metering System, test and Commission the Metering System in line with the requirements of the adopting IDNO/LDSO's G81² policy requirements.
- 1.6 As such IDNOs and LDSOs have the power through the commercial relationships they have in place with ICPs to ensure Commissioning obligations are fulfilled. However this is counter to the feedback we have received from a number of IDNOs and LDSOs.

² "Framework for design and planning, materials specification, installation and record for low voltage housing development installations and associated new HV/LV distribution substations."



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¹ Formal title: Reinforcing the Commissioning of Metering Equipment Processes

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1.7 ELEXON notes that it is possible that there could be more that IDNOs and LDSOs could be doing in order to manage these issues through the contracts and commercial relationships they have in place with ICPs.

2. Competition in Connections Code of Practice (CiCCoP³)

2.1 The CiCCoP website states:

"The Competition in Connections (CiC) Code of Practice governs the way in which Distribution Network Operators (DNO) provide input services to facilitate competition in the electricity connections distribution market. It will help customers have more choice over their connection provider.

The CiC Code of Practice was approved by Ofgem in June 2015, following extensive consultation. It includes arrangements to make changes, so that it can evolve over time. This included the establishment of an industry panel to oversee those changes.

Representatives from across the industry sit on the Panel, including DNOs, Independent DNOs (IDNO) and Independent Connection Providers (ICPs). The Panel acts as forum to which modifications can be proposed, that help to better facilitate the relevant objectives of the CiC Code of Practice."

- 2.2 The CiCCoP makes no reference of Commissioning obligations as such a modification might be required in order to address these concerns.
- 2.3 It is ELEXON's view that, as ICPs are within scope of CiCCoP obligations, it may be within the CiCCoP Panel's remit to help address the concerns highlighted around ICPs and Commissioning.

3. Recommendations

- 3.1 We invite you to:
 - a) **DETERMINE** that a letter should be sent to the CiCCoP Panel highlighting the PAB's concern around ICP's impact on Commissioning processes.

For more information, please contact:

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³ http://www.connectionscode.org.uk