

PAB217/08 – TAPAP AUDIT REPORT LATE & MISSING SMART MTDs

MEETING NAME	PAB 217
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Purpose of paper	Decision
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Classification	Public
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Summary	ELEXON undertook an audit investigating late and missing Smart Meter Technical Details (MTDs). The attached report details the findings of this audit.
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1. Background

- 1.1 The Interim Smart Risk Register denotes **SMSR0006** as the risk that Meter Technical Details are inaccurate or missing as a result of MOA processes resulting in estimated or erroneous data entering Settlement.
- 1.2 The performance of eight MOAs in respect of sending late MTDs was highlighted as a concern through ELEXON's Smart MTDs Report at its May 2018 PAB meeting [PAB208/04](#).
- 1.3 In this paper, ELEXON noted that as the smart rollout continues to ramp up the impact of poor performance will become more significant. ELEXON proposed to conduct a TAPAP audit of the worst performing MOAs highlighted by this report with a view to:
 - Validating the exceptions highlighted by the Smart MTDs report;
 - Identifying the root causes for the validated non-compliances;
 - Quantifying the material impact of late and missing MTDs; and
 - Determining next steps in order to address non-compliances, such as through Error and Failure Resolution (EFR).

2. Audit Summary

- 2.1 As expected, ELEXON's audit site work validated the failures reported through ELEXON's '[Smart Meter Technical Detail Report](#)'. Additional areas of non-compliance were identified (summarised below) along with the root causes driving these issues.
- 2.2 ELEXON was also able to gain a better understanding of the risk presented by 'Off the Shelf' market participants and the associated operating model. Further detail around this risk is provided for within Attachment A, Section 4 - 'Off the Shelf' Risk.

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Table 1: Observed Non-Compliances

Non-Compliance	BSC/BSCP Ref
MTDs sent outside of BSCP514 timescales	BSCP514 (5.2.2 & 5.3.4)
Undertaking Meter exchanges without a valid appointment	Section J 4.1.2
Suppliers back dating appointments	Section J 4.1.2
Undertaking Meter exchanges without a valid appointment and not sending the relevant data flows.	BSCP514 (5.2.2 & 5.3.4) Section J 4.1.2
MTDs never issued	BSCP514 (5.2.2 & 5.3.4)

Table 2: Common root causes identified

Root Cause
Inadequate training/skilled resource.
Lack of operational knowledge
Teething issues with the NHHMOA / Management Service Provider
Supplier lead commercial agreements instigating retrospective Agent appointments
Lack of robust BAU processes resulting in manual work arounds and poor quality assurance of data

3. Proposed next steps

- 3.1 EFR is not proposed to be turned on for any of the audited NHHMOAs but it is proposed that all NHHMOAs performance should be monitored closely over the coming year.
- 3.2 Suppliers associated with appointment issues highlighted will be contacted in order that we might better understand the root causes for these commercial decisions.
- 3.3 New NHHMOAs which are currently found to be missing MTDs which were never issued will be notified of who the installing MOA was and advised to chase missing MTDs.
- 3.4 ELEXON should draft and publish guidance focused on Suppliers around back-dating appointments and the risks associated with some of the operational practices observed through this audit.
- 3.5 EFR will be switched on against this risk for any NHHMOA found to be in breach of a new 'policy' being designed by ELEXON to work alongside the new approved 2019/20 Risk Evaluation Register. Updates on the development of these policies will be brought before the PAB by ELEXON's Risk Team. The findings from these TAPAP audits will be fed into the design of this policy and ELEXON will engage with the PAB to agree the performance levels which will be mandated under this policy.

4. Recommendations

- 4.1 We invite you to:
 - a) **NOTE** the findings of the audit set out in the Technical Assurance Audit Report; and
 - b) **APPROVE** the next steps set out in section 3 of this paper.

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Attachments

Attachment A – CONFIDENTIAL Technical Assurance Audit Report – 'Late and Missing Smart MTDS'

Attachment B – PUBLIC Technical Assurance Audit Report – 'Late and Missing Smart MTDS'

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