

PAB217/11–MEASUREMENT CLASSES E, F AND G PERFORMANCE REVIEW

MEETING NAME Performance Assurance Board

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Purpose of paper Decision

Classification Public

Summary The average industry performance of Measurement Classes (MC) E, F and G is below the required standards. ELEXON has requested information from all Suppliers that are substantially beneath the standard. This information is provided here along with a recommendation of closer monitoring of a sub-set of Suppliers with the largest estimated volumes beneath the standards.

1. Background

- 1.1 The Code states that the responsible Supplier should ensure for each Grid Supply Point (GSP) Group (Half Hourly (HH) Measurement Classes (MC) E, F and G¹ Metering System) each month's actual (rather than estimated) energy volume percentage should be not less than the Supplier's total energy as set out below:

Category	R1 ²	All subsequent Settlement Runs
MC F and G	90% (this will increase to 99% in January 2020)	99%
All other MCs (currently only MC E) that are not 100kW Metering Systems	99%	99%

- 1.2 The PAB has been monitoring MC E, F and G performance following the [P272](#)³ migration deadline on 1 April 2017.

¹ Measurement Class "E" – HH Metering Equipment at a below 100kW Premises with a current transformer (CT)

Measurement Class "F" - HH Metering Equipment at a below 100kW Premises with a CT or whole current (WC), and at a Domestic Premises

Measurement Class "G" - HH Metering Equipment at a below 100kW Premises with a WC and not at a Domestic Premises.

² of the total energy attributable to that Supplier relating to such Metering Systems for the aggregate of the applicable Settlement Periods are provided by its Half Hourly Data Aggregator to the SVAA.

³ Mandatory Half Hourly Settlement for Profile Classes 5-8

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- 1.3 At the April 2018 PAB Meeting, the committee noted poor HH performance of Metering Systems assigned to MCs E, F and G. As a result, the PAB asked ELEXON to present a breakdown of performance for HH Suppliers by MC, Supplier and GSP Group (PAB207/01).
- 1.4 At its May 2018 meeting, following a presentation of ELEXON's analysis, the PAB raised concerns over the performance of Suppliers against the standards required. The PAB asked ELEXON to prepare options for creating new monitoring for MCs E, F and G (PAB208/09). Although MC E already had dedicated reporting in the BUSRR Report and Supplier Dashboards under SR0081b, the PAB had previously agreed that this is presented for information only and none of the Performance Assurance Techniques (PATs) should be applied to Parties who underperform in this area (PAB192/14).
- 1.5 In June 2018 (PAB209/01) ELEXON presented six options to the PAB for dealing with sub-standard performance of MC E, F and G. All of those options were based on the current methods to monitor SR0081⁴ (MC C) and SR0081b (MC E), and all were potential solutions to effectively monitor and escalate any Parties who underperformed against the standards in these areas. At the meeting, ELEXON recommended to defer any changes to the way we monitor SR0081b until the 2019/20Risk Evaluation Register was implemented in April 2019 to align with the suite of reports introduced. The PAB agreed with ELEXON's recommendation by not approving any of the proposed options and deferred the decision, requesting more explanation, analysis, costings and other potential options before making a decision.
- 1.6 In July 2018 (PAB210/14) ELEXON advised that a full review of thresholds or Business Unit Settlement Risk Rating (BUSRR) criteria would not provide enough ongoing benefit to outweigh the cost to industry of such a review. The PAB agreed that the Operational Support Managers (OSMs) should approach Parties to advise that the PAB was monitoring the progress of MC E, F and G performance and that the PAB expected to see improvements by December 2018.
- 1.7 The current energy share at R1 for each market sector is:
- Non Half Hourly (NHH) – 50.60%
 - HH MC C – 44.46%
 - MC E – 3.49%
 - MC F and G – 1.45%
- 1.8 In order to encourage Suppliers, and to better understand the root causes of poor performance for MC E, F and G, ELEXON centrally co-ordinated a request for information from all Suppliers with performance below 97% at R1 for MC E and below 97% at R2 for MC F and G in October 2018.

2. Root causes of poor performance for MC E, F and G and the actions being taken by Suppliers

- 2.1 ELEXON contacted all Suppliers with performance more than 2% below the standard of 99% at R1 for MC E and/or R2 for MC F and G. This resulted in requesting information from 39 Supplier Ids for one or both of the standards. All but six responded and two of those were no longer operational at the time of the given response deadline.
- 2.2 A summary of the root causes of under-performance and the key actions being undertaken to address them is provided below. For conciseness, only root causes identified by four or more Suppliers are provided.

⁴ SR0081: The risk that HHDCs do not collect and /enter valid Meter readings resulting in old/default data entering Settlement.

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Root cause	Actions
Meter failing to dial – 30 Suppliers	Meter exchanges
	Fault resolution process - close liaison with customers and agents throughout
	Approval for PSTN lines to be installed at no cost to the customer
	Analyse D0235s very early to identify Data Aggregator irregularities at the earliest opportunity
	Agents to provide some supporting reports on why communications were working at CoMC but now failed
	SIM swap
	Investigating how Meter types and age of Meters may relate to communications breaks since CoMC
Meter exchanges taking too long - 6 Suppliers	Where third party agents are involved, put in place contractual process with customers so that the issue is escalated to customer. If performance is not resolved, Suppliers own agent used
	SLAs and regular meetings with agents put in place
	Reviewing performance of MOAs - migrate trial number of MSIDs to those that undertake site visits and fixes most quickly and efficiently.
	MC G not prioritised by agents so ensure that resolution dates agreed
Lack of dedicated resource or reporting for MC E, F and G - 5 Suppliers	Creation of clearance plan for backlog of Measurement Class E/F/G portfolio working from highest impacting
	Recruited extra resource
	New reporting suite in place to identify estimating MSIDs and track to resolution
	New processes in place to ensure newly estimating sites identified and addressed prior to SF

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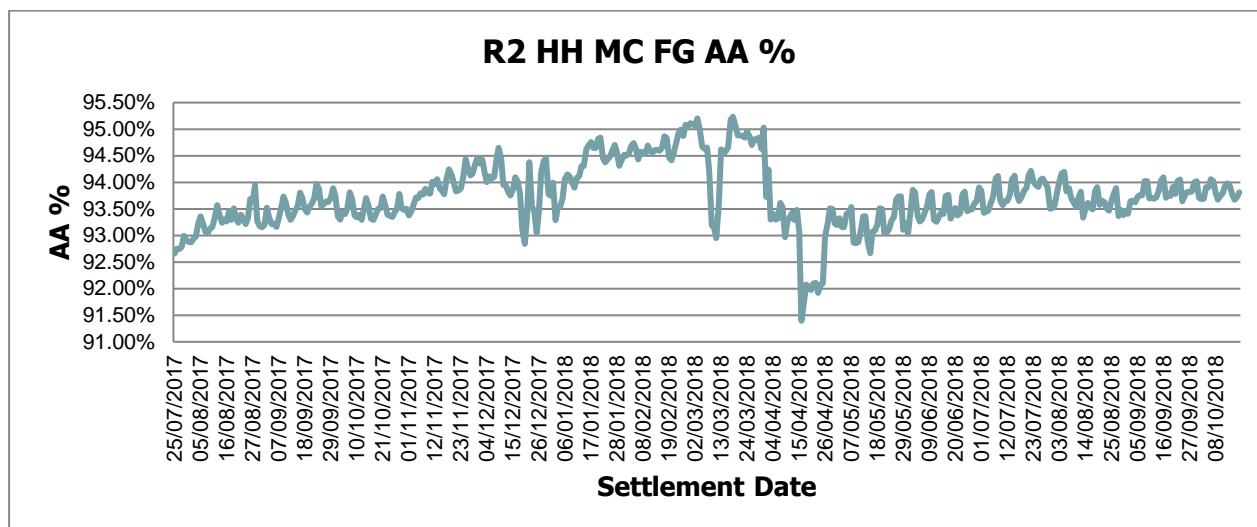
Root cause	Actions
	Asking agents to report MC E, F and G performance separately from MC C
Access restriction - 4 Suppliers	Work with customers and agents to arrange access
	Agreeing access arrangements with customers and agents as part of on-boarding and reviewing regularly
	Day ahead calls to ensure everything is ready for site visits
Interoperability issues - 4 Suppliers	Attempt to identify agents we are inheriting Meters from with a view to contract directly with them, allowing us to maintain agent relationships after COS
	Consider raising MRA Change to allow smoother transfer of COP10 metering information held on the D0313 (Auxiliary NHH MTDs) but not on the D0268s (HH MTD)
	Find out which DCs are able to read which Meter types and move a trial number of MSIDs to those DCs

3. Industry Level Performance

Measurement Class F and G

- 3.1 The industry average performance for MCs F and G (approx. 5% of the market) is currently above the 90% standard at R1 (93.55%). Consequently, our focus for these MCs is at R2 where the average performance (93.83% over the most recent seven days) is substantially below the 99% standard.

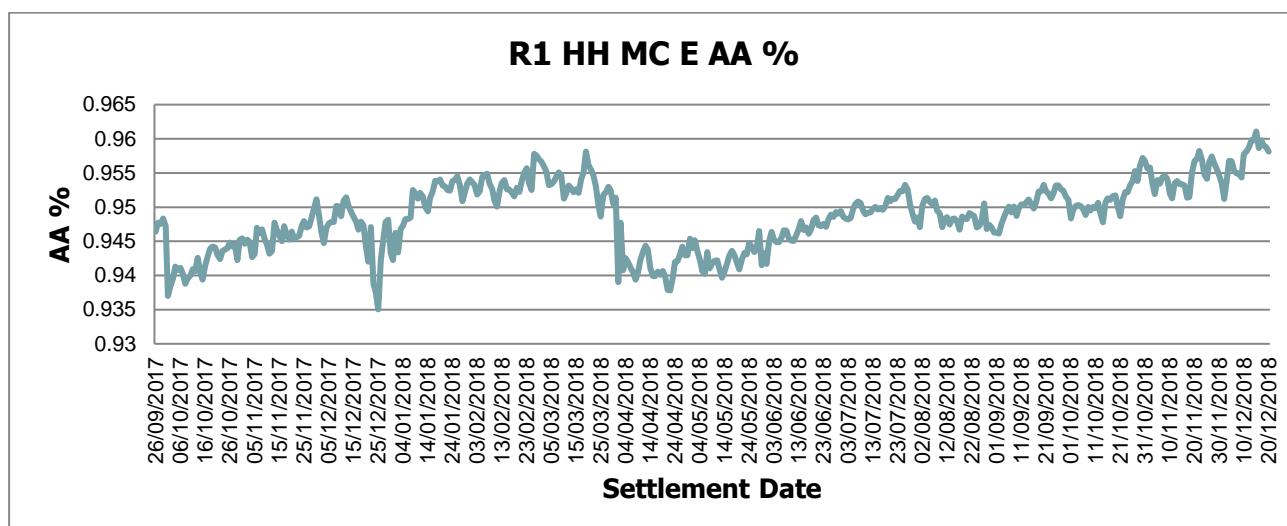
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- 3.2 Based on an extract of data taken on 30 January 2019, there are 58 Suppliers with volumes at R2 in MC F and G. Of these only nine (15.5% of Suppliers) are meeting the 99% standard.
- 3.3 In total, the 49 Suppliers that are below the standard are producing a monthly volume of 17,341 MWh that is settled on an estimate above the allowed 1%.
- 3.4 The three Suppliers with the largest volume beneath the standard collectively contribute 10,822 MWh of estimated volume beneath the standard (62% of the total estimated volume below the standard).

Measurement Class E

- 3.5 The industry average performance at R1 for MC E is also substantially beneath the 99% standard (95.93% average over the most recent seven days).



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- 3.6 Based on an extract of data taken on the run date of 30 January 2019 there are 59 Suppliers with volumes at R1 in MC E. Of these only 12 (20% of Suppliers) are meeting the 99% standard.
- 3.7 In total the 47 Suppliers that are beneath the standard are producing an approximate monthly volume of 31,932 MWh that is settled on an estimate above the allowed 1%.
- 3.8 The three Suppliers with the largest volume beneath the standard collectively contribute 21,050 MWh of estimated volume beneath the standard (66% of the total estimated volume below the standard).

4. Next steps

- 4.1 ELEXON proposes focussing on the Suppliers with:
- The biggest volumes of energy under the standard (three at R1 for MC E and three at R2 for MC F and G) ; **AND/OR**
 - More than 50 MSIDs in total per Supplier at the relevant run and with a performance of below 80%.
- 4.2 This additional focus will consist of:
- Highlighting to the Suppliers that either their performance is having a significant impact on the industry average (for those with the largest volume under the standard; and
 - Requesting an update on the root causes, actions and forecast improvement on a fortnightly basis. This information being shared with the Error and Failure Resolution Analyst for information.
- 4.3 A confidential attachment to this paper is provided to the PAB setting out performance of all Suppliers for MC E and MC F and G. Those we recommend for additional focus (based on the rationale above) are highlighted in red.
- 4.4 ELEXON proposes that an update on all of the Suppliers highlighted for additional focus is provided to the PAB at its June meeting. At this point ELEXON will:
- Consider whether the application of the Error and Failure Resolution Technique is recommended for any of these Suppliers;
 - Determine which, if any, of the Suppliers requires ongoing focused monitoring;
 - Provide a further update on performance at industry level; and
 - Highlight recommendations for any further Suppliers that require focused monitoring.
- 4.5 ELEXON will also ensure that OSMs share the contents of this public paper with all Suppliers to ensure they are aware of the approach the committee is taking and the expectation that all Suppliers should be working to improve sub 100kW Half Hourly (HH) performance. This will also provide the industry with the view of common root causes.

5. Consideration of Performance Assurance Framework (PAF) Review

- 5.1 Where sub 100kW performance has been reviewed previously ELEXON has noted that it was not sensible to spend money on new reporting when this is an area being considered as part of the PAF Review.
- 5.2 The enduring solution to MC E, F and G reporting will be considered as part of the development of a new PAF reporting suite. New policies (which ELEXON will use to manage our response to Supplier and Supplier agent performance) for each of the new risks will be agreed by the PAB.
- 5.3 Poor performance in Measurement Class E, F and G has been included as part of the scoring for the new risk 007 which will become effective in April 2019. This is the risk that SVA metered data is not retrieved, such

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that the proportion of estimated data being used in Settlement contributes to performance standards not being met.

- 5.4 This risk is recommended as a focus risk in the new Risk Operating Plan (ROP) for 2019/20 which was presented to the PAB at its January 2019 meeting. Please refer to PAB paper PAB 216/09 for further information.

6. Recommendations

- 6.1 We invite you to:

- a) **NOTE** the contents of the paper and its confidential attachment; and
- b) **AGREE** the next steps set out in section four and that a further update and recommendations are provided by ELEXON at the June 2019 PAB meeting.

Attachments

Attachment A – Suppliers R1/R2 performance MC E, F and G (Confidential)

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