

PAB224/09 UPDATE ON SUB 100KWH HALF HOURLY PERFORMANCE

MEETING NAME Performance Assurance Board (PAB)

Date of meeting 26 September 2019

Paper number PAB224/09

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Purpose of paper For Decision

Classification Public

Summary This paper provides an update on sub-100 kWh HH Performance at an industry level, an update on the progress of previous recommendations set out in February 2019 (PAB217/11) and June 2019 (PAB221/12) and recommendations for further actions.

1. Background

1.1 In February 2019, ELEXON provided the PAB with a review of Measurement Class (MC) E, F and G HH Performance (PAB 217/11). A further update was provided in June 2019 (PAB221/12).

1.2 At the June 2019 meeting, the PAB agreed that:

- The top three Suppliers contributing the largest volume of energy under the standard should continue with focussed monitoring with their Operational Service Managers (OSMs);
- One of those Suppliers (Supplier C), who had not provided regular root cause breakdowns as requested, should have Error and Failure Resolution (EFR) applied if this analysis, along with further performance improvement, was not evident by the end of August 2019;
- OSMs should discuss sub-100 kWh more regularly with Suppliers that have a monthly volume of over 500MWh under the 99% standards; and
- ELEXON would provide a further update on sub-100 kWh performance in September 2019.

1.3 Sub-100 kWh Half Hourly performance is linked to Risk 7 and 8 and therefore the retrieval and processing of Metered Data. In the Risk Evaluation Register for 2019-2020, Risk 7 had an associated impact of £26.8million and Risk 8 £7.4million. Non Half Hourly performance issues can also be associated with other risks to a lesser extent.

2. Industry Level Performance

MC F and G

	February	June	September
R1 Industry Performance (Currently 90% Standard)	93.55%	95.04% (+1.49%)	95.08% (+0.04%)

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	February	June	September
R2 Industry Performance (Currently 99% Standard)	93.83%	95.68% (+1.85%);	95.99% (+0.31%)
Number of Suppliers with volumes at R2	58	64 (+6)	63 (-1)
Number of these Suppliers above the 99% standard	9 (15% of Suppliers)	16 (25%)	17 (27%)
Total monthly volume settled on an estimate above the allowed 1%	17,341 MWh	13,734 MWh (-3,607)	10,222 MWh (-3,512)
Total monthly volume settled on an estimate, by the three Suppliers in focussed monitoring, above the allowed 1%	10,822 MWh (62% of total estimated volume under the standard)	8,356 MWh (-2,466) (61% of total estimated volume under the standard).	5,569 MWh (-2,787) (53% of total estimated volume under the standard).

- 2.1 Improvements have continued but at a slower rate since June. Most notably, there has been very little improvement in the performance at R1 since June (although this is currently in a compliant position, being above the 90% Standard).
- 2.2 The impact of the top three Suppliers at R2 has reduced in overall volume and in proportion to other Suppliers.
- 2.3 Top three Suppliers volumes have reduced by 49% since February whilst the remaining 60 Suppliers volumes have reduced by 29% at R2.

MC E

	February	June	September
R1 Industry Performance (Currently 99% Standard)	95.93%	96.58% (+0.65%)	96.81% (+0.23%)
Number of Suppliers with volumes at R1	59	59 (No change)	59 (No change)
Number of these Suppliers above the 99% standard	12 (20% of Suppliers)	18 (31%)	18 (31%)
Total monthly R1 volume settled on an estimate above the	31,932 MWh	20,964 MWh (-10,968)	17,536 MWh (-3,428)

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	February	June	September
allowed 1%		Total energy volume has decreased from 907,328 MWh to 859,654 MWh	Total energy volume has decreased from 859,654 MWh to 798,015 MWh
Total monthly volume settled on an estimate, by the three Suppliers in focussed monitoring, above the allowed 1%	21,050 MWh (66% of total energy under the standard)	13,591 MWh (-7,459) (65% of total energy under the standard)	10,868 MWh (-2,723) (62% of total energy under the standard)

- 2.4 Improvements have continued but at a slower rate since June.
- 2.5 The impact of the top three Suppliers, who have been aware that ELEXON and the PAB are reviewing their performance since March 2019, has reduced slightly but not as significantly as in MC F and G at R2. Although the impact of the three Suppliers estimated volume > 1% allowance has reduced by almost 1% from 2.32% in February to 1.36% in September.

3. Progress of Suppliers with focused monitoring in place

- 3.1 The three Suppliers being closely monitored in MC F and G are the same three Suppliers being closely monitored in MC E. It should be noted that, in February, the impact of the performance of the Suppliers on industry performance varied across the MCs. A high level anonymised update of the performance progress and information is provided below for MC F and G and E. The relevant Supplier Ids are provided for the PAB in Confidential Attachment A.

Supplier	February Performance	Current Performance	Performance Improvement	Root causes and actions
Supplier A MC F and G	92.91% Was second biggest negative impact on industry performance	95.99% Now third biggest negative impact on industry performance	+3.08%	A full regular root-cause breakdown has been provided to ELEXON for all sites estimating at R2 for MC G and at R1 for MC E and full details of agent performance for all agents used has also been provided. Supplier A has provided clear updates on discussions and next steps with all agents.
Supplier A MC E	94.91% Was third biggest negative impact on industry performance	96.33% Now second biggest negative impact on industry performance	+1.42%	ELEXON requested a schedule of expected clearances agreed with HHMOAs which has not yet been forthcoming. This is due to a contractual issue with its largest MOA which has delayed the implementation of a customer portal for booking jobs. The Supplier is expecting this issue to be resolved soon.

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Supplier	February Performance	Current Performance	Performance Improvement	Root causes and actions
Supplier B MC F and G	81.53% Was biggest negative impact on industry performance	93.86% Now second biggest negative impact on industry performance	+12.33%	<p>A full regular root-cause breakdown has been provided to ELEXON and full details of agent performance for all agents used has also been provided.</p> <p>The Supplier has noted that its performance improvement has slowed down now that the highest volume sites have been tackled.</p>
Supplier B MC E	89.88% Was biggest negative impact on industry performance	95.73% Now third biggest negative impact on industry performance	+5.85%	<p>It has also highlighted its MC E sites, on average, use only 230kWh per day. To achieve 99%, it needs to clear 70kWh per day (which equates to 306 sites) out of the remaining 396 estimating sites in MC E currently.</p> <p>In MC C, 99% Actual Energy can be achieved with 88% of its MSIDs, but it states that in MC E, it will have to achieve actual reads for 99% of its MSIDs, which involves considerably more work from both Supplier and the agents to consistently achieve.</p> <p>The Supplier raises concerns over the impact of diverting available field staff from MC C to MC E sites, to keep the MC E % actual energy higher, when actually fixing a MC C site instead would have an overall more positive impact on the industry.</p> <p>It states that agents have given no indication that they are looking to bring in more staff to be able to cope with a temporary increase in work, especially whilst there are other priorities in the industry at this time. The Supplier states this means the rate of its improvement will slow on the way to obtaining the 99% standard.</p> <p>ELEXON has requested that the Supplier works with its agents on schedules to clear the backlog of estimating MSIDs in realistic but focussed timescales.</p>

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Supplier	February Performance	Current Performance	Performance Improvement	Root causes and actions
Supplier C MC F and G	92.47% Was third biggest negative impact on industry performance	93.52% Now biggest negative impact on industry performance	+1.05%	ELEXON has not received updates regularly from Supplier C but has now received a full detailed root cause breakdown and associated actions.
Supplier C MC E	92.38% Was second biggest negative impact on industry performance	93.58% Now biggest negative impact on industry performance	+1.20%	

3.2 All three of the Suppliers with focussed monitoring in place have seen performance improve since February.

3.3 However, Supplier C's performance has not increased at the same rate as the other two Suppliers and has not provided updates as regularly. Therefore, ELEXON will monitor the result of the actions now being undertaken and, if ongoing updates and improvements are not forthcoming within two months, will recommend that EFR is applied in the confidential Technique Progress Report (TPR) to the PAB.

4. Changes to reporting in January 2020

4.1 On 5 November 2015, Modification P300 "Introduction of new Measurement Classes to support Half Hourly DCUSA Tariff Changes (DCP179)" introduced the following HH MCs for Metering Systems that are not 100kW:

- MC E was re-labelled to be designated for HH Current Transformer (CT) Metering Systems;
- MC F was designated for domestic HH CT and Whole Current Metering Systems; and
- MC G was designated for non-domestic Whole Current Metering Systems.

4.2 The Performance Level for all three was set at 99% of energy settling on actual data at the First Reconciliation Run (R1) and all further runs. However, Modification P347 "Reduction in R1 Read Requirement for Half Hourly Sites" decreased the performance standards for MCs F and G to 90% for R1 only. This reduction was set with a sunset clause of 1 January 2020, when the performance standard would revert to 99% again.

4.3 ELEXON's legal team stated that, from 1 January 2020, the Code should be read as if there is no reference to Measurement Classes. Therefore, ELEXON will measure Suppliers' performance against the 99% at R1 for all HH Metering Systems that are under 100 kW in aggregate from January.

5. Migrations back to Non Half Hourly (NHH) Settlement.

5.1 ELEXON has completed analysis to compare the MSIDs that were in HH Settlement on 31 March 2019 with those on 15 June 2019 (latest Supplier Meter Registration Agent data).

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5.2 7,670 MPANs moved from HH to NHH:

	Same Supplier	Change of Supplier
From HH to PC1-4	6,512	133
From HH to PC5-8	973	52
Total	7,485	185

5.3 Details of the Suppliers with the largest volumes for migrations back to NHH Settlement are provided in Confidential Attachment A. ELEXON will be asking these Suppliers to provide the reasons for such migrations and will provide this information to the PAB.

6. Next Steps

- 6.1 As the performance monitoring will be different from January 2020, ELEXON recommends that all Suppliers with a monthly volume of energy of 500 MWh or more under the standard in MC E or MC F and G are asked to discuss a clearance plan for the backlog of these sites. This plan should ensure that Meter issues are fixed, or a regular manual read collection plan is put in place. Suppliers should provide high level details to its OSM at ELEXON.
- 6.2 ELEXON will provide reporting to Suppliers on its MC F and G performance at R1 as the 99% standard will be required to be met at this Settlement Run from the beginning of 2020.
- 6.3 ELEXON recommends that the next update on sub-100 kWh performance is provided to the PAB at its February 2020 meeting when the first month's aggregated performance data for the amended R1 standard is available.
- 6.4 ELEXON will carefully monitor Supplier C's performance now that actions have been submitted and, if required, recommend to the PAB that EFR is applied in the confidential TPR.

7. Recommendations

- 7.1 We invite the PAB to:
 - a) **AGREE** the next steps proposed in section 6.

Attachments

Attachment A – Confidential Attachment setting out Supplier Ids of Supplier A, B and C and the performance and energy volumes under the standard for all Supplier Ids for MC E and F and G.

This attachment also provides details of the Suppliers with the largest numbers of migrations of MSIDs back to NHH settlement.

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