ELEXON

Technical Assurance of Metering (TAM) Audit Scope 2021/2022

Performance A	ssurance Board		
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Summary The Performance Assurance Board is invited to approve the Technical Assurance of Metering (TAM) audit scope in Performance Assurance Operating Period (PAOP) 2021/2022.

1. Background

- 1.1 The Technical Assurance of Metering (TAM) technique aims to ensure the accuracy of Half Hourly (HH) metered data through the use of onsite Inspection Visits and Desktop Audits. It is the only Performance Assurance Technique (PAT) within the Performance Assurance Framework (PAF) that looks at physical Metering Systems. TAM is also used to assess the overall health of the HH Metering System population. TAM requirements are outlined in <u>BSCP27 Technical Assurance of Half Hourly Metering Systems for Settlement Purposes</u>.
- 1.2 The 2021/22 audit year will likely experience many of the same challenges and unknowns faced in the 2020/21 audit year, due to Covid-19 restrictions. As such, the audit scope has been designed with flexibility in mind.

2. Supplier Volume Allocation (SVA) Main Sample

- 2.1 The objective of the SVA Main Sample is to provide a view of overall health of the SVA market. This is typically achieved by completing a sample of Inspection Visits for approximately 1% of the Measurement Class C Meter population.
- 2.2 The re-introduction of SVA Inspection Visits for the start of the audit year looks unlikely due to current Covid-19 restrictions. As such, Elexon will continue to offer optional Desktop Audits in place of Inspection Visits, until such time as the Inspection Visits suspension can be lifted. Therefore, it is anticipated that the SVA Main Sample will comprise of both Inspection Visits and Desktop Audits.
- 2.3 The SVA Main Sample size has been calculated using the same statistical sampling methodology outlined in the TAM Audit Scope 2020/21 (<u>PAB228/07</u>), as per Performance Assurance Framework (PAF) review recommendations. However, for both proposed options, the confidence interval has been reduced to account for the reduction in certainty associated with Desktop Audits, when compared to Inspection Visits.

SVA Main Sample			
Confidence Level	95.00%		
Confidence Interval	0.47%		
Population	147,965		
Failure Rate	1.00%		
Sample Size	1,702		
Percentage of Population			

2.4 At such time that the Inspection Visits suspension is lifted, the number of Desktop Audits scheduled will reduce, to ensure that participant's resource requirements do not increase to accommodate Inspection Visits and Desktop Audits.

3. Supplier Volume Allocation (SVA) Specific Sample – Complex Sites

- 3.1 At its January 2020 (<u>PAB228</u>) meeting, the PAB approved recommendations for the inclusion of a SVA Specific Sample for Complex Sites. However, we were unable to progress the Complex Site Specific Sample due to Covid-19 constraints.
- 3.2 Whilst we expect to encounter similar issues with respect to on site inspections in the 2021/22 audit year, there is the option to provide assurance on Complex Sites, through the Desktop Audit process. However, in order to facilitate this Specific Sample, Elexon will need to impact assess the current Desktop Audit process to assess any required changes.
- 3.3 If the PAB endorse a Complex Site Desktop Audit sample, Elexon recommend working alongside the Technical Assurance of Metering Expert Group (TAMEG) to ensure the Desktop Audit process has the appropriate alterations to facility Complex Cite audits. TAMEG discussions will also include sampling strategy for the Complex Site Desktop Audits.
- 3.4 Elexon anticipate that the proposed steps will allow for the Technical Assurance Agent (TAA) to undertake Complex Site Desktop Audits in quarters three and four of the 2021/22 audit year.

4. Central Volume Allocation (CVA) Main Sample

- 4.1 The CVA Main Sample does not lend itself to statistical sampling methodology, due to the small CVA population (960) Meter System Identifiers (MSIDs)) and an expected Category 1 non-compliance occurrence of 0.25%. The sampling method used in previous audit years has been to select between 5-10% of the population each audit year.
- 4.2 At its December 2017 (<u>PAB203</u>) meeting the Performance Assurance Board (PAB) approved recommendations for the CVA Main Sample to include multi-circuit sites. Furthermore, following completion of successful CVA Inspection Visits (from 2018 onwards), the MSID is removed from future audit year's selection population, to widen market coverage.
- 4.3 Elexon recommend a continuation of the strategy outlined in <u>PAB203/08</u> and proposes the same number of CVA Inspections Visits as with previous years for the 2021/22 audit scope (<u>PAB228/07</u>). This results in a CVA Main Sample of 79 Inspection Visits.
- 4.4 CVA Main Sample Inspection Visits will continue on an optional basis, until such time as the PAB determines that Covid-19 restrictions have been reduced to allow for mandatory visits.

5. Central Volume Allocation (CVA) Targeted Visits

- 5.1 The risk to Settlement demonstrated by CVA sites has been highlighted during the recent Annual Demand Ratio (ADR) issue identified in Grid Supply Point (GSP) A. The TAA have supported the ongoing investigations through a number of Targeted Visits at GSP sites.
- 5.2 Elexon has identified a limitation in <u>BSCP27</u> that requires Specific Samples to be 'SVA only', as such a Specific Sample cannot be undertaken on CVA sites. In the interim, Elexon has increased the number of available CVA Targeted Visits for the 2021/22 audit year, in place of, or a reduced size SVA Specific Sample.

- 5.3 This has allowed for approximately 45 (true number dependant on number of circuits present at selected sites) additional CVA Inspection Visits to be made available to support ongoing and future CVA investigations, including Offshore Transmission Connection Points (OTCP), or as otherwise directed by the Performance Assurance Board (PAB).
- 5.4 A potential use for Targeted Visits may be to select Metering Systems that have undergone a material change within the last three years. Elexon has requested a report of CVA Metering Systems that have undergone a material change in the previous three years from its service provider.
- 5.5 In order to support future CVA investigations, without the need for a work around, Elexon recommend that the PAB endorse a Change Proposal (CP) to remove reference to SVA only for Specific Samples from BSCP27.

6. Central Volume Allocation (CVA) Desktop Audits

- 6.1 Elexon are currently exploring widening the use of Desktop Audits to include CVA sites. However, there is still significant work required to ensure that the process is fit for purpose for CVA.
- 6.2 The Measurement Class C Desktop Audits will provide an excellent opportunity to assess possible changes required to apply Desktop Audits to CVA sites. Elexon continue to work alongside the TAMEG to ensure maximum value from the Desktop Audit process.
- 6.3 Elexon have approximately 60 CVA Desktop Audits (true number dependant on number of circuits present at selected sites) reserved to conduct a proof of concept sample. Please note, it is unlikely that the CVA Desktop Audit process will be ready until the second half of the 2021/22 audit year.

7. Offshore Wind Farm Inspection Visits

- 7.1 The PAB approved recommendations to include offshore wind farm Inspection Visits in the 2020/21 audit scope. However, no offshore completed during the 2020/21 audit, due to the Covid-19 restrictions.
- 7.2 It is currently unknown whether Covid-19 restrictions will allow for offshore inspections in the 2021/22. As such, Elexon recommend delaying the decision until May/June 2021, when participants should be in a position to confirm whether offshore wind farm inspections can be completed.

8. Recommendations

- 8.1 The PAB is invited to:
 - a) APPROVE the SVA Main Sample described in Section 2;
 - b) APPROVE the SVA Specific Sample Complex Site Desktop Audits, described in Section 3;
 - c) APPROVE the CVA Main Sample described in Section 4;
 - d) ENDORSE the raising of Change Proposal to remove reference to 'SVA only' for Specific Samples in BSCP27;
 - e) APPROVE the CVA Target Inspection approach described in Section 5;
 - f) COMMENT on CVA Desktop Audits; and
 - g) APPROVE delayed decision on offshore wind farm inspections.

For more information, please contact:

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