

Assurance for Migration of NHH CT Meters to HH Settlement (P432)

Performance Assurance Board

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Summary **Modification P432 will require all CT Metering Systems to be Settled Half Hourly by October 2023. This paper presents options for how compliance against this obligation could be monitored and managed by the PAB and Elexon.**

1. Introduction

- 1.1 Modification [P432](#) 'Half Hourly Settlement for CT Advanced Metering Systems' was raised by Npower Commercial Gas Limited in December 2021.
- 1.2 If approved, this Modification will require all Current Transformer (CT) Metering Systems to be Settled Half Hourly (HH) by October 2023. The [Modification Proposal Form](#) notes that this would affect an estimated 50,000 CT Meters, accounting for approximately 800-1,500 GWh per year (1-2% of the total SVA import volume). The migration would take place using the existing Change of Measurement Class (CoMC) process.
- 1.3 The Code Change and Development Group (CCDG) made the recommendation that CT Advanced Meters settling NHH should have the CoMC process carried out from March 2023 to October 2023. Therefore, the Modification seeks to place an obligation on Supplier to settle all CT Metering Systems on a HH basis by October 2023.
- 1.4 Finally, the Modification proposal also notes that there should be monitoring of compliance against this obligation by the PAB.

2. Options for monitoring compliance

- 2.1 Elexon has identified three potential options for the monitoring of compliance against this obligation.

Option 1 – Only check compliance in October 2023

- 2.2 The PAB and Elexon do not manage or monitor the migration period at all, and only perform checks at the end of the migration window (October 2023). If a Supplier has any CT Metering Systems which remain NHH Settled at that time, escalation/enforcement options would be applied as deemed necessary.
- 2.3 Whilst it is clear this provides no assurance during the migration period, it would provide a 'black and white' compliance-driven approach following the migration window. It would also only require effort from the PAB and Elexon at that stage, although depending on the level of compliance, that work could be significant. This may be an option to consider if the PAB determines the Settlement Risk posed is not of significant size, and/or believes efforts would be better spent elsewhere.

Option 2 – P272¹-style Supplier Migration Plans

- 2.4 The PAB and Elexon would request a migration plan from all Suppliers, detailing approaches and timescales for migration of the portfolio of CT Metering Systems. These plans would be monitored monthly, with deviations from the plans triggering escalation/enforcement routes as necessary
- 2.5 This approach would provide a very close monitoring of the process, clearly with an increased effort required from both the PAB and Elexon (both before and during the migration window). It would likely achieve a greater level of compliance, as the regular monitoring keeps it at the front of Suppliers' minds. However, given the migration window of only 6 months, there may be a concern this doesn't provide enough time to identify a deviation from a plan and put in place appropriate escalation/enforcement steps.

Option 3 – Lighter Touch

- 2.6 Elexon, supported by the PAB, would engage with Suppliers ahead of the migration window, emphasising the obligation. Approaches to the migration would be discussed with Suppliers, although no formal 'plan' would be required to be submitted. As the migration window progresses, monitoring would be done at industry-level as well as Supplier level, with any Supplier(s) appearing to be 'behind' approached for further information and escalation/enforcement as necessary.
- 2.7 This approach would require less resource than Option 2, but not provide as strong assurance to the process. It is possible that Suppliers would only act at the point of escalation, possibly then resulting in a net increase in workload for Elexon and the PAB later (and/or following) in the migration window. The same concern as noted for Option 2 around the relatively short migration window also applies.

Escalations/Enforcement

- 2.8 For all of the above options, where 'escalation' is noted, this could consist of any current Performance Assurance Technique or approach, such as Error and Failure Resolution (EFR), or a direct escalation with the Supplier attending the PAB meeting. It is worth noting a limitation of processes such as EFR is again the relatively short migration window, compared to the timescales normally required for the EFR process.
- 2.9 The PAB should also consider options for where the responsibility for any enforcement should sit and is carried out. This may also include the involvement of the MHHS Programme in this process.

3. Next Steps

- 3.1 Elexon asks the PAB to debate the merits of the three options proposed above, along with providing any other suggestions or approaches that should be considered. It would be helpful to have a clear understanding of the PAB's risk appetite around this area, to help shape the approach and determine the right level of effort required (of the PAB, Elexon and Industry).
- 3.2 Outcomes from this discussion, as well as the decision reached by the PAB, will be fed in to the Modification Workgroups, such that the solution can include any explicit obligations (if necessary).

4. Recommendations

- 4.1 We invite the PAB to:
- a) **NOTE** the contents of the paper;
 - b) **COMMENT** on the Assurance options outlined in Section 2; and
 - c) **DETERMINE** the preferred approach to take to monitor compliance against P432.

For more information, please contact:

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¹ 'Mandatory Half Hourly Settlement for Profile Classes 5-8'