

# Report Phase Consultation Responses

## P375 'Metering behind the Boundary Point'

This Report Phase Consultation was issued on 15 October 2020, with responses invited by 16 November 2020.



### Phase

Initial Written Assessment

Definition Procedure

Assessment Procedure

Report Phase

Implementation

### Consultation Respondents

Respondent	Role(s) Represented
Drax BSC Parties (Opus Energy and Haven Power)	Generator, Supplier
Enel X	Virtual Lead Party
The Association for Decentralised Energy (ADE)	Trade Body representing over 150 members, including Suppliers, Virtual Lead Parties, Aggregators and Generators
Salient Systems Ltd.	Half Hourly Data Collector/Data Aggregator (HHDC/DA), Non-Half Hourly Data Collector (NHHDC), Half Hourly Meter Operator (HHMO), Non-Half Hourly Meter Operator (NHHMO) automated system solutions provider
Scottish Power	Supplier, Supplier Agent
Stark	Supplier Agent (HHDC, NHHDC, Non-Half Hourly Data Aggregator (NHHDA), HHDA)

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Question 1: Do you agree with the Panel's initial unanimous recommendation that P375 should be approved?

### Summary

Yes	No	Neutral/No Comment	Other
6	0	0	0

### Responses

Respondent	Response	Rationale
ADE	Yes	The ADE agrees with this recommendation. P375 should be approved because it better facilitates Objectives (b), (c) and (e) than the current baseline by, respectively, allowing NGENSO more options for operation of the Transmission System, increasing competition, and facilitating market entry for Aggregators, in line with the EBGL's objectives.
Drax	Yes	<p>We are supportive of P375 which would enable settlement of Secondary Balancing Mechanism (BM) Units using metering equipment 'behind the Meter'. This would allow more accurate reflection of the balancing-energy volumes provided by the Balancing Service Provider and at the same time help mitigate potential negative consequences for the Supplier.</p> <p>P375 would enable more efficient participation of Demand Side Response and support to propositions such as Behind-the-Meter Storage, Electric Vehicles, heat pumps, etc., including clearer allocation of responsibilities between suppliers and third party aggregators. By supporting the development of new propositions such as these, which enable greater demand side flexibility, P375 should help to contribute towards achieving net-zero decarbonisation ambitions.</p> <p>Suppliers will also benefit through more accurate Final Physical Notification (FPN) and delivered volumes.</p> <p>P375 will have a positive impact on Applicable BSC Objective (b) as it will facilitate third party Aggregators and customers to provide Balancing Services which increases the options available to National Grid ESO when balancing the System. There is also a positive impact on Objective (c) because the change encourages more participation in the market, which increases competition. There is also a positive impact on Objective (e) as it will facilitate participation in balancing products, including TERRE and the BM.</p>
Enel X	Yes	We believe will allow a wider range of customer sites to participate in the Balancing Mechanism (BM) and TERRE.

Respondent	Response	Rationale
		<p>It is also complementary to change proposals P376 (allowing baselines to be calculated using objective methodologies, rather than self-nomination) and P415 (extending the wider access to the BM achieved by VLPs to also cover wholesale markets).</p> <p>Wider participation should lead to more effective competition – promoting Objective (c) – and more efficient operation – promoting Objective (b). Removing barriers to effective participation by distributed, demand-side technologies is also required under various European regulations and guidelines, so it will also promote Objective (e).</p> <p>We do not believe that it has a negative impact on any Objective.</p>
Salient	Yes	-
Scottish Power	Yes	<p>We are in favour of P375 in regards applicable BSC objectives (b), in that it will increase market options for replacement reserve providers and provide better visibility of behind the boundary assets, BSC objective (c) with regards an increase in competition and BSC objective (e) with regards opportunity for further agents to enter the market.</p>
Stark	Yes	<p>We agree with the Panel’s unanimous initial recommendation to approve P375.</p> <p>P375 will increase the options for Replacement Reserve &amp; other smaller providers to come to market, allowing more options for the efficient, economic and coordinated operation of the National Electricity Transmission System; allowing more providers to come to market also provides an inherent positive effect on competition.</p> <p>Giving further opportunities for Aggregators to enter the market, is also in line with the EBGL’s principles and objectives.</p> <p>P375 will make Settlement more efficient as there will be greater granularity and determination of Balancing responsibility; this will however require some complex changes to BSC sections &amp; CSD’s.</p>

Question 2: Do you agree with the Panel that the redlined changes to the BSC in Attachment A, and CSDs in Attachments B-D deliver the intention of P375?

## Summary

Yes	No	Neutral/No Comment	Other
5	0	0	1

## Responses

Respondent	Response	Rationale
ADE	Yes	The changes appear to deliver the intention of P375
Drax	Yes	We have no additional comments at this time.
Enel X	Yes	They seem to do what is required.
Salient	Other	<p>As far as they currently go the additions and changes to CSDs are not at odds with the intentions of P375.</p> <p>However, as identified by multiple respondents to the Assessment process, Business Requirement detail is still lacking at the Report Phase documentation set. Change will be required at a wider set of CSD's later – at the implementation stage as suggested at the documentation, and with the benefit of inputs from a group of industry experts!</p> <p>It is unfortunate that questions and observations upon business requirement descriptions arising at the Assessment consultation responses, particularly those raised by very experienced metering agent companies, do not appear to have been tackled during Report phase preparations. We would encourage that a robust mechanism is adopted to assure the sharing of the future appointed expert group analysis outputs with the working group and with other interested parties as implementation is considered.</p>
Scottish Power	Yes	We believe that these documents will deliver the intentions of P375 but with regards attachment B, COP 11, further consideration should be given to how it is implemented for non-CT, DC and product embedded type metering with regards suitability, the practicalities of installation and data retrieval capabilities.
Stark	Yes	We agree that the draft redlined changes to BSC legal text & CSD's attached deliver intention of P375 with the understanding that early implementation of COP11 is important & additional CSD changes are to form a significant part of the implementation phase.

## Question 3: Do you agree with the Panel's recommended Implementation Date?

### Summary

Yes	No	Neutral/No Comment	Other
5	1	0	0

### Responses

Respondent	Response	Rationale
ADE	Yes	The ADE agrees with the recommended Implementation Date and supports CoP11 being implemented 12 months ahead of P375.
Drax	Yes	The Panel recommend P375 is implemented on 30 June 2022 so long as an Ofgem decision is received by 30 April 2021. P375 is a material change which would have system and process impacts such that we would require a minimum lead time of 12 months to implement following an Ofgem Decision. That would be accommodated within the timescales set out above
Enel X	Yes	Given the substantial benefits, this modification should be implemented as soon as possible. If the proposed date is the earliest realistically achievable (which seems to be the case), then we support it
Salient	No	<p>The significant delivery of Cop11 and the enabling for settlement purposes of approved meters behind the boundary point will/should be approved in the quite near term ( early next year ? ). Of itself this will open up other early opportunities for interested parties to pursue other flexibility initiatives.</p> <p>The suggested delay to completing P375 delivery to mid 2022 due to central system development schedule considerations and constraints is unfortunate and perhaps a little troubling.</p> <p>Completed P344 related works we understand will have set much of the central foundation work necessary to enable robust P375 settlement accounting. However, we believe that the targeting of SVAA, rather than HHDC/DA agent, to deliver a majority of the data processing requirements of P375 is very problematic.</p> <p>In our view it would be entirely possible, and appropriate, for the majority of consumption data preparation and processing related activities to be targeted at the HHDC agent. If this were the case then we believe that implementation schedules could be significantly reduced,</p>

Respondent	Response	Rationale
		costs would be significantly reduced and costs would be more directly apportioned to the beneficiaries of P375. Further, at complex and perhaps volatile P375 sites where differencing may be implicated it will, in our view, become very problematic to assure that a central SVAA system will be enabled to adequately respond to changes to differencing rules/policies in a timely manner. The HHDC is certainly better positioned and experienced here to assure robust and responsive services to VLP's, Suppliers and Consumers.
Scottish Power	Yes	Yes, we support implementation of P375 as soon as is possible
Stark	Yes	Allows for the complexity of System development & BSC CSD changes required whilst acknowledging significance of early COP11 approval.

Question 4: Do you agree with the Panel's initial view that P375 should not be treated as a Self-Governance Modification?

### Summary

Yes	No	Neutral/No Comment	Other
6	0	0	0

### Responses

Respondent	Response	Rationale
ADE	Yes	P375 impacts competition, therefore should not be treated as a Self-Governance modification.
Drax	Yes	P375 is a material change impacting multiple parties, processes and systems. It is also likely to have a material effect on competition by supporting new entrants to participate in the BM (and potentially TERRE).
Enel X	Yes	The major impact of this modification is to increase competition, so it is clearly outside the scope of self-governance
Salient	Yes	-
Scottish Power	Yes	As P375 will impact several areas, market competition, participation and have an effect on existing processes it cannot be treated as self-governance and should be approved by the Authority.
Stark	Yes	Will have a material impact on the market and competition, and the potential to contribute to wider change; also impacts EBGL Article 18 balancing t&c's.

Question 5: Do you agree with the Panel's initial recommendation that P375 does impact the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the BSC?

## Summary

Yes	No	Neutral/No Comment	Other
6	0	0	0

## Responses

Respondent	Response	Rationale
ADE	Yes	The ADE agrees with the Panel's consideration
Drax	Yes	We agree with the Workgroup's assessment that the changes form part of the balancing terms and conditions as per EBGL Article 18.
Enel X	Yes	It directly impacts the terms and conditions for balancing services providers, the subject of EBGL Article 18
Salient	Yes	-
Scottish Power	Yes	We agree as it directly relates with Balancing units registration, visualisation and route to market, considering also aspects around allocation of imbalances.
Stark	Yes	-

Question 6: Do you have any comments on the impact of P375 on the EBGL objectives?

### Summary

Yes	No	Neutral/No Comment	Other
3	3	0	0

### Responses

Respondent	Response	Rationale
ADE	Yes	P375 will help to facilitate market entry for Aggregators. It therefore has a positive impact on the delivery of the EBGL objectives.
Drax	No	We have no additional comments at this time.
Enel X	Yes	We believe it has a positive impact on the objectives in EBGL Article 3.1(a), (b), (d), (e), and (f), and no negative impacts.
Salient	No	-
Scottish Power	Yes	Although this impacts EBGL Article 18, we agree it is consistent with the objectives of EBGL.
Stark	No	-

## Question 7: Do you have any further comments on P375?

### Summary

Yes	No
4	2

### Responses

Respondent	Response	Rationale
ADE	Yes	The ADE strongly welcomes P375 and the future benefits that will be derived from implementation. Asset metering will enable VLPs to participate more effectively in the Balancing Mechanism and is likely to play an important role in other markets. It will allow greater use of innovative technologies and business models, including dynamic use of smart electric heating and smart EV charging, and increase uptake of domestic DSR, smart grids and community energy. The ADE would note the significant estimated benefits of P375 (£50m/year), which vastly outweigh the cost of implementation (£2m).
Drax	Yes	<p>1) Within the 'Communicating Data' section of the Report Phase Consultation, it states that communications will be via the DTN or 'by other electronic means as agreed' (e.g. the two companies involved agree to use P-Flows). As specified in our response to the Assessment Phase Consultation, our preference would be for the use of DTN rather than P-Flows because they're used across a broad range of industry processes and are well understood by industry parties, relatively straightforward to implement and, should future enhancements be required, DTC changes can typically be progressed via IREG and MDB within short timescales. Clarification is therefore required regarding this.</p> <p>2) We favour mandatory participation from third party aggregators that use meters behind the boundary meter for consumers' sites for which Suppliers will benefit through more accurate FPN and delivered volumes.</p> <p>3) Although the Report Phase Consultation includes an example in Section 2 'Why Change?' of how allowing Virtual Lead Parties (VLPs) to use metering closer to the asset delivering the Balancing Services could potentially enable a more accurate Final Physical Notification (FPN); further clarity is required as to the interactions between the asset controlled by the third party aggregator and the rest of the site. For example, assume a scenario with two heaters in a single property. The potential reduction of consumption of one of the heaters by an aggregator for the provision of balancing services under P375 could result in an increase in</p>

Respondent	Response	Rationale
		consumption of the other heater with unforeseen consequences for the energy supply of the remainder of the site and this could expose the Supplier to unpredictable costs.
Enel X	Yes	It's a very welcome modification. Combined with P376 and P415, it will open up broader participation, and hence more vigorous competition and more efficient outcomes, in a range of markets from a wide variety of technologies, old and new.
Salient	Yes	<p>We very enthusiastically support the delivery of Cop11 by the P375 project.</p> <p>However, we are of the view that P375 data management processes that are prescribed to address the settlement of SBMU's using behind the boundary Cop11 meters are SVAA top heavy. They will prove inflexible in the longer term as P375 enabled implementations gain momentum over time. We would encourage that the business model for delivery of P375 BM commitments is revisited and positions more of the required services and data management at the HHDC agent.</p> <p>We are not suggesting that the P375 solution be amended to accommodate these considerations, rather that due to overlaps with other similar Modifications (P376, P379, P383 etc.) they should be taken into account moving forward.</p>
Scottish Power	No	-
Stark	No	-