

Issue 86 'Review of processes potentially impacted by Ofgem's Faster Switching Programme'



Contact

Matthew Woolliscroft

020 7380 4165

BSC.change@elxon.co.uk

firstname.lastname@elxon.co.uk



Contents

1	Summary and conclusions	2
2	Background	4
3	Issue Group's Discussions	5
	Appendix 1: Issue Group Membership	9
	Appendix 2: Glossary & References	11

About This Document

This document is the Issue 86 Group's Report to the BSC Panel. Elxon will table this report at the Panel's meeting on 11 March 2021.

There is one part to this document:

- This is the main document. It provides details of the Issue Group's discussions and proposed solutions to the highlighted issue and contains details of the Workgroup's membership.

312/10

Issue 86
Issue Report

4 March 2021

Version 1.0

Page 1 of 12

© ELEXON Limited 2021

1 Summary and conclusions

Background

The Retail Energy Code (REC) and Central Switching Service (CSS) are key components of Ofgem's [Switching Programme](#). The Retail Code Consolidation (RCC) Significant Code Review (SCR) will consolidate existing Industry Codes into the REC, after which the Switching SCR will implement the CSS and associated processes. RCC changes were originally expected to be implemented on 1 April 2021 and CSS changes in summer 2021, but these have been delayed as a result of the pandemic. We now expect Ofgem to raise the RCC Modification in April 2021, to go live on 1 September 2021. The Modification to deliver the CSS changes will be raised in early 2022.

Elexon, on behalf of the BSC Panel, is required to inform Ofgem how processes relating to Change of Supplier (CoS) and Change of Agent (CoA) may be impacted.

Issue 86 Purpose

Issue 86 was raised to gather input from industry experts on the amendments needed to the BSC documents to facilitate the RCC and Switching SCRs. In particular, input was sought to test the CoS and CoA processes to see if they can be streamlined for the benefit of industry participants and as such, whether any 'quick-win' changes can be made to the CoS and CoA processes ahead of the SCR changes.

Issue 86 was originally raised in October 2019 to consider the CSS and Switching aspects but was extended to additionally cover the RCC aspects in February 2020.

Conclusions

Issue 86 achieved its main purpose in March 2020, but was left open in case further consideration of the Performance Assurance Framework and Metering arrangements in the BSC for the RCC SCR required industry input. At the time of writing Ofgem are still to finalise the scope of these components and Elexon do not believe any further Issue 86 meetings will be required.

Quick wins

Elexon has progressed four 'quick win' Changes Proposals following discussions by Issue 86 members. These are:

- [CP1529 'Earlier initiation of Supplier Agreed Meter Readings process'](#), which was implemented on 5 November 2020.
- [CP1532 'Reduce Half Hourly Change of Supplier timelines to meet the Initial Settlement Run'](#), which will be implemented on 24 February 2022;
- [CP1533 'Mandatory Sending of D0052 for DCC serviced SVA NHH Metering Systems'](#), which was implemented on 25 February 2021; and
- [CP1534 'Introduce Change of Supplier \(CoS\) – No Meter Process'](#), which was implemented on 25 February 2021.

Issue 86 members also identified two other opportunities for change. These are:

312/10

Issue 86
Issue Report

4 March 2021

Version 1.0

Page 2 of 12

© ELEXON Limited 2021

- A review of the elective Half Hourly Settlement process to determine its compatibility with the implementation of the REC; and
- A review of the Change of Supplier process for customers with a smart Meter, which was introduced by [P302 'Improving the Change of Supplier Meter read process for smart Meters'](#). The Issue Group noted that the process was not being widely used, which limited the full benefits being realised.

As the elective Half Hourly Settlement process is not widely used, a review of these processes is unlikely to bring far reaching benefits. Further, as the industry tends towards Data Communication Company (DCC) enrolled Meters, any issues with these processes are likely to be resolved or superseded, particularly with the transition to Market Wide Half Hourly Settlement. Therefore the Issue Group did not recommend that these changes be immediately progressed and should only be raised if the issues become more prominent. Instead Elexon updated its guidance documents to provide additional clarity on the elective HH processes.

Significant Code Reviews

In addition to these quick wins, the Issue Group has reviewed the redlined changes to the BSC that will be required to support the delivery of the REC and CSS. The first draft was submitted to Ofgem in March 2020. Ofgem provided comments on the redlining which we have addressed and for inclusion in [Ofgem's statutory consultations](#).

In April 2021, we expect the Authority to direct the consequential changes needed to the BSC and other codes to facilitate the implementation of the REC in September 2021. This will be progressed as an Authority Directed BSC Modification, and will use the RCC redlining reviewed by Issue 86 plus any additional drafting required. This Modification will be delivered alongside v2.0¹ of the REC on 1 September 2021. Consequential changes for the Switching SCR and v3.0 of the REC are expected to be directed by the Authority in Q2 of 2022, to go-live in Q3 2022 and will include the CSS drafting submitted by Elexon and reviewed by Issue 86.

312/10

Issue 86
Issue Report

4 March 2021

Version 1.0

Page 3 of 12

© ELEXON Limited 2021

¹ Version 1 of the REC was designated on 1 February 2019 and set out the transitional arrangements.



What is a Significant Code Review?

The Significant Code Review (SCR) process provides a tool for Ofgem to initiate wide ranging and holistic change and to implement reform to a code based issue. At the end of the SCR, Ofgem will progress changes to the BSC using the Authority Raised Modification Proposal outlined in [Section F8](#).

Retail Energy Code

The Retail Energy Code (REC) and Central Switching Service (CSS) are key components of Ofgem's [Faster Switching Programme](#). The RCC SCR will consolidate existing Industry Codes into the REC. RCC changes were originally expected to be implemented on 1 April 2021 and CSS changes in summer 2021, but these have been delayed as a result of the pandemic. Version 2.0 of the REC is now expected to go-live on 1 September 2021, with the CSS changes associated with REC version 3.0 being incorporated in Quarter 3 of 2022. We expect Ofgem to raise the RCC Modification in April 2021.

Elxon, on behalf of the BSC Panel, was required to inform Ofgem how processes relating to Change of Supplier (CoS) and Change of Agent (CoA) may be impacted. Ofgem wrote to the BSC Panel in January 2020² setting out its expectations and intended timescales for the Panel to provide redlined changes to the BSC to facilitate the delivery of the RCC and CSS SCRs. It also contained guidance on how other BSC Modifications which may impact on the SCR drafting to be handled. The Panel considered and responded to this letter at its meeting on 14 February 2020, in which it agreed to the timescales for providing redlining to support the SCRs. It noted that as obligations relating to Metering and Performance Assurance were under review, it would not be possible to produce a final version of the drafting until these decisions had been made. Ofgem noted these concerns and confirmed that it would work with Elxon to address the outstanding areas. At the time of writing Elxon is in discussion with Ofgem to obtain clarity on obligations relating to Metering and Performance Assurance.

The processes that require changes to support the delivery of Ofgem's SCRs impact processes for:

- Data Collectors (DCs);
- Data Aggregators (DAs);
- Meter Operator Agents (MOAs); and
- Suppliers.

While Elxon had an understanding of the required changes, it raised [Issue 86 'Review of processes potentially impacted by Ofgem's Faster Switching Programme'](#) to get input from industry subject matter experts on draft redlining to ensure all aspects were considered ahead of making our recommendations to Ofgem.

In addition to revising consequential changes for the REC, Issue 86 provided an opportunity to test the CoS and CoA processes to see if they could be streamlined for the benefit of industry participants and as such, whether any 'quick win' changes could be made to the CoS and CoA processes ahead of the REC go live.

312/10

Issue 86
Issue Report

4 March 2021

Version 1.0

Page 4 of 12

© ELEXON Limited 2021

² Correspondence between Ofgem and the BSC Panel can be found on the [Issue 86 page](#) of the BSC Website.

Consequential BSC changes for the REC

The Issue Group noted that the time between the Authority designating changes and the go-live date may be short and industry may therefore have to base consequential changes on working drafts. Ofgem issued the draft redlining for [consultation](#) on 15 December 2020 with responses invited by 23 February 2021. REC V2.0 is due to go live on 1 September 2021, and we expect the Authority to direct consequential changes to the BSC in April 2021. Between 23 February and the changes being directed, it is likely that clarification changes will be needed to the redlined consequential changes for the BSC for Performance Assurance and Metering. At the time of writing, Elexon is in discussion with Ofgem to obtain clarity on what drafting will be needed in the BSC to reflect these areas.

The Workgroup noted that while Elexon expected Central Volume Allocation (CVA) non-domestic metering arrangements to remain in the BSC, Supplier Volume Allocation (SVA) domestic and non domestic metering would be split between the BSC, the REC and the Distribution Connection and Use of System Agreement (DCUSA). When the initial draft of BSC consequential changes was submitted to Ofgem in March 2020, there was still some uncertainty around where metering arrangements would lie. In addition to this, Elexon noted similar uncertainty on how performance assurance activities would be split between codes.

Although initially raised to review consequential changes for the Switching SCR, the Issue Group agreed to extend the scope to also review the changes to the BSC needed for the RCC SCR. Ofgem initially launched its faster switching SCR in November 2015. The RCC SCR was launched by Ofgem in November 2019, after the first meeting of Issue 86.

Quick wins

The Issue Group discussed what quick wins could be achieved ahead of the SCR deliveries. The group preferred early progression of these changes, but was conscious of how they may impact on the SCRs' progressions. The Issue Group also noted that if changes were progressed ahead of the SCR, then they should be subject to Ofgem's SCR change process, given the direct impact they may have. Some Issue Group members believed that early progression of quick win changes would be easier for industry members who were familiar with the existing Codes and change processes. Issue Group members noted that delivering quick wins ahead of SCR implementation may require relatively short implementation timescales, which some market participants may struggle to meet.

The Issue Group's preference was to progress the quick win changes earlier rather than later. The Ofgem representative commented that it would welcome early progression where there was no direct SCR impact, but that it would assess any impact on a case by case basis. Six quick win changes were identified. Four were progressed as Change Proposals following Issue 86 discussions. The remaining two were not considered immediate priorities, and so were put on hold. Elexon can reassess the need for these two changes if the issue they seek to address persists and is not corrected by the implementation of Ofgem's SCRs.

Change of Supplier without a Meter Read

Where Meter reads are missing following a CoS event, the process did not allow Suppliers to initiate the Supplier Agreed Readings process until 30 Working Days (WD) after Supplier Start Date (SSD). The Issue Group agreed that this could be cut to SSD+15.

The Issue Group noted that the D0311 'Notification of Old Supplier Information' data flow should be sent on notification of loss, but in practice was rarely sent and didn't always have particularly useful information. There was a suggestion that the new Supplier could send a D0311 to the new Non Half Hourly Data Collector (NHHDC) in all cases, but this could result in the NHHDC receiving many flows that would not be needed. The Issue Group concluded that sending of the D0170 'Request for Metering System Related Details' and D0311 could be sped up to allow a 2 WD response time.

The Issue Group believed this should be relatively easy to implement as it would just require a change to BSCP(s).

This quick win was progressed as [CP1529 'Earlier initiation of Supplier Agreed Meter Readings process'](#), and implemented on 5 November 2020.

Switching Timescales

The changes needed to timescales should be relative to whenever an appointment occurs (i.e. CoA), not when the consumer switches (i.e. CoS).

One of the members believed that once the REC/CSS has been implemented, unless the New Supplier appoints their own MOA, the old Supplier's MOA will remain as the MOA for that Metering System.

The Issue Group noted that all timelines were based on ideal world scenarios and didn't allow for delays. It was suggested that the BSCPs would need to acknowledge 'reasonable endeavours' or something similar.

This quick win was progressed as [CP1532 'Reduce Half Hourly Change of Supplier timelines to meet the Initial Settlement Run'](#). CP1532 will update the timelines around the CoS process within [BSCP502 'Half Hourly Data Collection for SVA Metering Systems Registered in SMRS'](#), [BSCP504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS'](#) and [BSCP514 'SVA Meter Operations for Metering Systems Registered in SMRS'](#) to align with the objectives of the REC and Switching SCR, and ensure that the Half Hourly (HH) CoS process, in particular, will complete by the SF Run by design rather than being reliant on good practice. CP1532 will be implemented on 24 February 2022. This implementation allows industry participants sufficient time to develop and test the system changes necessary for CP1532 and to align with the CSS implementation. Since the approval of CP1532, the planned CSS go live has been pushed back. Elexon will engage with the relevant Panel Committees to determine whether CP1532 should also be delayed to match.

The scope of Issue 86 only includes Boundary Point Meters that are governed by the BSC and other industry Codes. Any additional metering systems, such as Asset Meters, private networks, operational meters and anything else that is used in Settlement calculations but not subject to other industry Code requirements are not included in the REC transition.

NHHDC process for Change of Supply

[P302 'Improve the Change of Supplier Meter read and Settlement process for smart Meters'](#) introduced clause 3.2.6.50 in BSCP504, which requires the new Supplier to send a D0052 'Affirmation of Metering System Settlement Details' flow with a 'new' Standard Settlement Configuration and 'new' Profile Class to its new NHHDC, following the receipt of the Meter Technical Details from the new MOA.

The Issue Group identified that this process was not being followed by all participants. They noted that the wording 'new' implied an optional dataflow, which would only be sent if a Supplier re-configured the smart Meter as part of the switch. However, the original intention was the D0052 is required to be sent in all CoS events.

This quick win was progressed as [CP1533 'Mandatory Sending of D0052 for DCC serviced SVA NHH Metering Systems'](#) to ensure a D0052 is sent in all instances. CP1531 was implemented on 25 February 2021.

Change of Supply with no Meter

There are circumstances where MSIDs are created but a Meter does not exist at point of switching e.g. new-builds. The Issue Group agreed that a change should be progressed to firm up the process for these circumstances.

The Supplier Meter Registration Agent allowed registrations to be deleted if no Meter had been installed on a Metering Point. This process removed the original Supplier's registration so that a second Supplier could treat the site as a new connection and arrange for the MOA to install a Meter. This functionality will not be available within the CSS.

The CoS process, for where there is no Metering Equipment at site, is not explicitly defined within the relevant BSCPs. Suppliers and Supplier Agents follow the existing CoS processes, which includes requesting Meter Read History that is not available due to the lack of Metering Equipment on site.

Following the introduction of the CSS, this process will become more prevalent and affect Suppliers, MOAs, HHDCs and NHHDC. The Issue Group determined that introducing a new process would ensure a consistent industry approach to this scenario and enable new Metering Equipment to be installed at the earliest available opportunity.

This quick win was progressed as [CP1534 'Introduce Change of Supplier \(CoS\) – No Meter Process'](#) to define a process for Suppliers and Supplier Agents to exchange dataflows where there is no Meter installed. CP1534 was implemented on 25 February 2021.

Standstill period

Ofgem asked the Issue Group whether there should be a standstill period as part of the switching process. The existing process includes 10WD for administrative processes to be undertaken including billing and detail verification. The Issue Group noted that where a switch involved a smart Meter, this should be a quick process, but that legacy Meters may be more challenging.

Some members expressed a preference for maintain the 10WD standstill period as it allowed time to ensure all relevant activities had been completed. They however expressed support for monitoring and reducing in the future once new processes had been embedded.

Some members suggested that any standstill period shouldn't affect the gaining Supplier, as the CSS will accept or reject the request regardless of whether it is inside or outside of a stand-still period. This may affect customers if the switch is delayed and could affect Effective from Dates if discussing start dates with customers.

Issue Group members commented that any solution would need to consider Erroneous Transfers and multiple switches in a short period. For example if a customer switches from Supplier1 to Supplier2 and then back to Supplier 1 during the cool-off period, there shouldn't be an issue. However, if they go to a third party, there could be an issue e.g. Supplier 1 to Supplier 2 and then switches to Supplier 3 before everything is passed to Supplier 2. In this case, Supplier 2 won't have details to pass on to Supplier 3. Under the BSC there is a default process for Meter reads, so it was not considered too much of an issue as data would follow eventually. However, with multiple CoS events in short order, estimated reads would be used in Settlement for longer than is necessary.

Elective HH Metering

The Issue group discussed how the Switching process for Elective HH metering could be made more efficient. Issue Group members believed that as Meters exchanged swapped for SMETS2 Meters the issue would resolve itself, and that in the interim they could revert to NHH where necessary. Members also believed DCC enrolment may alleviate the issue. Members questioned whether a Supplier refusing to accept a HH Meter could be a barrier to switching.

Issue Group members suggested that a solution would be to create a new process for reversion to legacy. To do this, an indicator in a dataflow would be needed to facilitate the reversion. The Issue Group discussed what data or flows would be needed for this, and whether the Electricity Central Online Enquiry Service (ECOES) could be used to identify problem sites.

Given the numbers involved, the limited scope (in terms of Suppliers affected), that more work is needed to determine the potential solution and it may be reduced with DCC enrolment, the Issue Group decided not to progress any potential solutions at this time.

P302 smart Meter Change of Supplier

Exelon asked the Issue Group to consider the provisions introduced by [P302 'Improve the Change of Supplier Meter read and Settlement process for smart Meters'](#) as it was aware of anecdotal issues with the process.

Issue Group Members suggested that there were bigger issues obscuring the issues with P302. Suppliers may try and use the process but if others aren't using it, then they bump up against problems. The Issue Group noted that assumptions on how P302 should work were not materialising. Challenges included a mixture of people not using the process, having issues with the process and being too busy fighting issues elsewhere to raise concerns.

The Issue Group noted that the DCC had set-up a focus group to look at CoS issues and therefore determined not to progress any changes to the smart CoS process at this time.

Appendix 1: Issue Group Membership

Issue Group membership and attendance

Issue XX Group Attendance					
Name	Organisation	29 Oct 2019	13 Dec 2019	30 Jan 2020	6 Mar 2020
Lawrence Jones	Elxon (<i>Chair</i>)	✓	✓	✓	✓
Chris Wood	Elxon (<i>Lead Analyst</i>)	✓	✓	✓	✓
Chris Herzog	SSE Metering	☎	✓	✓	☎
John Greene	SSE	✗	✓	✓	✓
Julie Jeffreys (Dave Morley Mtg 3)	Ovo Energy	☎	☎	☎	☎
Mark Agnew	Centrica	✓	✓	✓	✓
Nik Wills	Stark	✓	✓	✓	✓
Paul Saker	EDF Energy	✗	✓	✓	✓
Pete Butcher	SSE	✗	✓	✓	☎
Seth Chapman	Morrisons data	✓	☎	✓	☎
Stephen Johnson	IMServ	✓	✓	✓	☎
Terry Carr	E.On	✓	☎	✓	☎
Jon Spence	Elxon (<i>Design Authority</i>)	✓	✓	✓	✓
Matt McKeon	Elxon (<i>Design Authority</i>)	✓	✓	✓	✓
Andrew Grace	ELEXON (Change Analyst)	✗	✗	✓	✓
Aleksandra Kaniasta-Nichols	Edf Energy	✓	✗	✗	✗
Alexandra Pourcelot	TMA	☎	☎	☎	✗
Andrew Wallace	Ofgem	✗	✗	☎	✗
Andrea Duignan	WPD Smart Metering	✓	☎	✗	✓
Andrew Humby	Utiliteam	☎	☎	☎	
Andy Kelly	Scottish Power	✓	✗	☎	☎
Chris Collins	Scottish Power	☎	☎	✗	
Clare Cantle-Jones	SSE Energy Supply	✓	✗	✗	✗
Dave Peat	Salient Systems	✗	✗	☎	☎
Emily Mason	SmartestEnergy	✓	✓	☎	✗
Joe Pearmine	Salient Systems	✗	✗	☎	
Jonathan Hawkins	Gemserv	✓	✓	✗	✓
Louise Stumbles	Ofgem	✗	✓	✗	✓
Megan Coventry	SSE	☎	✗	✗	✗
Neil Edney	Salient Systems	✗	✗	☎	

312/10

Issue 86
Issue Report

4 March 2021

Version 1.0

Page 9 of 12

© ELEXON Limited 2021

Issue XX Group Attendance					
Name	Organisation	29 Oct 2019	13 Dec 2019	30 Jan 2020	6 Mar 2020
Phillipa Burton	Scottish Power	☎	✗	✗	✗
Stuart Atkins	Wheatley solutions	✓	✗	✗	
Susan Steeden	Edf Energy	✓	✗	✗	✗
Suzann Bemanis	Siemens	✓	✓	✗	☎
Vanessa Longbottom	Edf Energy	✓	✓	✗	✗
Vilisia Osbourne	Edf Energy	✓	✗	✗	✗

312/10

Issue 86
Issue Report

4 March 2021

Version 1.0

Page 10 of 12

© ELEXON Limited 2021

Appendix 2: Glossary & References

Acronyms

Acronyms used in this document are listed in the table below.

Acronyms	
Acronym	Definition
BSCP	Balancing and Settlement Code Procedure
CSS	Central Switching Service
CVA	Central Volume Allocation
DCC	Data and Communications Company
DCUSA	Distribution Connection and Use of System Agreement (<i>Industry Code</i>)
ECOES	Electricity Central Online Enquiry Service
HH	Half Hourly
MOA	Meter Operator Agent (<i>Supplier Agent</i>)
NHH	Non Half Hourly
NHHDC	Non Half Hourly Data Collector (<i>Supplier Agent</i>)
RCC	Retail Code Consolidation
REC	Retail Energy Code (<i>industry Code</i>)
SCR	Significant Code Review
SSD	Supplier Start Date
SVA	Supplier Volume Allocation

DTC data flows and data items

[DTC data flows](#) and data items referenced in this document are listed in the table below.

DTC Data Flows and Data Items	
Number	Name
D0052	'Affirmation of Metering System Settlement Details'
D0170	Request for Metering System Related Details
D0311	Notification of Old Supplier Information

External links

A summary of all hyperlinks used in this document are listed in the table below.

All external documents and URL links listed are correct as of the date of this document.

312/10

Issue 86
Issue Report

4 March 2021

Version 1.0

Page 11 of 12

© ELEXON Limited 2021

External Links		
Page(s)	Description	URL
2, 4	Ofgem's Faster Switching Programme	https://www.ofgem.gov.uk/electricity/retail-market/market-review-and-reform/smarter-markets-programme/switching-programme
2, 6	CP1529 on the BSC Website	https://www.elexon.co.uk/change-proposal/cp1529/
2, 6	CP1532 on the BSC Website	https://www.elexon.co.uk/change-proposal/cp1532/
2, 6	CP1533 on the BSC Website	https://www.elexon.co.uk/change-proposal/cp1533/
2, 7	CP1534 on the BSC Website	https://www.elexon.co.uk/change-proposal/cp1534/
2, 8	P302 on the BSC Website	https://www.elexon.co.uk/mod-proposal/p302/
3, 5	Ofgem's Retail Energy Code statutory consultation	https://www.ofgem.gov.uk/publications-and-updates/retail-energy-code-v20-and-retail-code-consolidation
4	Issue 86 on the BSC Website	https://www.elexon.co.uk/smg-issue/issue-86
6	BSCPs on the BSC Website	https://www.elexon.co.uk/bsc-and-codes/bsc-related-documents/bscps/