

CP Assessment Report

CP1549 'Amendment of BSCP516 to clarify the criteria for Non-Domestic SVA Metering Systems to be allocated to Profile Classes 3 or 4'

ELEXON



Committee

Supplier Volume Allocation Group (SVG)

Recommendation

Approve

Implementation Date

24 February 2022
(February 2022 Release)



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About This Document



Not sure where to start? We suggest reading the following sections:

- Have 5 mins? Read section 1
- Have 15 mins? Read sections 1, 4, 5 and 6
- Have 30 mins? Read all sections
- Have longer? Read all sections and the annexes and attachments

This document is the Change Proposal (CP) Assessment Report for CP1549 which Elexon will present to the SVG at its meeting on 7 December 2021. The Committee will consider the proposed solution and the responses received to the CP Consultation before making a decision on whether to approve CP1549.

There are four parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, and proposed implementation approach. It also summarises the SVG's initial views on the proposed changes and the views of respondents to the CP Consultation.
- Attachment A contains the CP proposal form.
- Attachment B contains the proposed redlined changes to deliver the CP1549 solution.
- Attachment C contains the full responses received to the CP Consultation.

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1 Summary

Why change?

In response to recent enquiries from Suppliers and other Parties, Elexon has been reviewing whether the criteria that Suppliers must follow when deciding whether to allocate Non-Domestic SVA Metering Systems to Profile Classes (PCs) 3 or 4¹ are clear.

Based on legal advice and external engagement, we have established that it is possible for a site to revert from Half Hourly (HH) to Non-Half Hourly (NHH) if it has been validly reclassified as being within PCs 3 or 4 and the Supplier is satisfied the customer meets the relevant criteria as set out in [BSCP516 'Allocation of Profile Classes and SSC's for Non Half Hourly SVA Metering Systems Registered in SMRS'](#).

Although the Balancing and Settlement Code (BSC) permits such a change, text included in BSCP516 suggests that such a change should not be carried out. This text was introduced by [CP1433 'Clarification of which Metering Systems are captured by the P272 requirements'](#), and was intended to explain the [P272 'Mandatory Half Hourly Settlement for Profile Classes 5-8'](#) requirement for HH Settlement of Advanced Meters. However, the text precludes a Change of Measurement Class from HH to NHH PCs 3 or 4; this interpretation does not align with the BSC.

Solution

This CP proposes to remove the text from BSCP516 that suggests a Change of Measurement Class from HH to NHH PCs 3 or 4 is not possible to ensure the procedure is aligned with the rules set out in [BSC Section L 'Metering'](#).

Impacts and costs

This CP is expected to impact Half Hourly Data Collectors (HHDCs), Non-Half Hourly Data Collectors (NHHDCs) and Suppliers.

This CP will only affect BSCP516, with no central system changes required.

The central implementation costs for this CP will be less than £1,000 to implement the relevant document changes.

Implementation

The CP is proposed for implementation on 24 February 2022 as part of the standard February 2022 BSC Release.

¹ Profile Class 3 - Non-Domestic Unrestricted Customers
Profile Class 4 - Non-Domestic Economy 7 Customers

2 Why Change?

What is the issue?

Text needs to be removed from BSCP516 that doesn't agree with the BSC text introduced by Modification P272. Removing this text will align the BSCP516 with the view that it is possible for a site to revert from HH to NHH if it is reclassified as PCs 3 or 4.

Further information

P272 Background

BSC Modification P272 was implemented on 1 April 2017. It required that Metering Systems within PCs 5-8 who have an Advanced Meter fitted as a result of [Supply Licence Condition \(SLC\) 12.18](#), must be settled using HH data.

Since the implementation of P272 Elexon has been approached by Suppliers and other Parties asking whether it is possible to reverse a migration carried out under P272. Essentially asking whether it is possible to move a Non-Domestic customer with an Advanced Meter who was migrated to PCs 5-8 to HH Settlement (as part of the P272 process) back to NHH Settlement in PCs 3 or 4. Initially, the advice provided by Elexon suggested that under the BSC, once migrated, it is not possible to revert back from being settled HH to NHH in PCs 3 or 4.

After reviewing the SLC, BSC and associated procedures, Elexon recognised that its former position is not aligned with the correct interpretation of the BSC. Elexon agreed that reverting to NHH should be possible under the P272 legal text. Where a customer has had an Advanced Meter installed in accordance with SLC12.17-18, but the Metering System now meets the conditions for PCs 3 or 4 in BSCP516, the Supplier can revert the Metering System back to NHH Settlement. On [June 7 2021](#) a communication was issued to confirm that a site is permitted to return to being NHH settled if it is validly reclassified as PCs 3 or 4.

BSCP516 Text

However, text in BSCP516 does not align with this view. BSCP516 states that, "From 1 April 2017 non-domestic customers with an Advanced Meter for Import fitted in accordance with the requirements of SLC 12.17-12.22 of the Electricity Supply Licence are mandated to be settled on a HH basis and should not be registered under PCs 5-8 using this BSC Procedure. For the avoidance of doubt once an Advanced Meter has been fitted in accordance with the SLC then that Metering System is mandated to be settled on a HH basis from 1 April 2017." The last sentence here appears to suggest that reverting back to NHH Settlement is not possible.

Nevertheless, the P272 legal text and the P272 Final Modification Report do not support this hard-line interpretation. The P272 Final Modification Report suggests that it is possible to revert to NHH Settlement in circumstances where a Metering System was previously assigned to PCs 5-8, and subsequently migrated to HH Settlement, but now meets the criteria for PCs 3 or 4 in BSCP516, as it states, "once P272 has been implemented, a PC 5-8 Metering System settled HH would only be able to revert to NHH if it was validly reclassified as being within PCs 1-4 (in accordance with BSCP516)."

The P272 legal text is consistent with this view as BSC L2.2.2 states that where a Supplier is required to supply electricity through an Advanced Meter, it shall be HH Metering

Equipment (i.e. settled HH). "Advanced Meter" here means Metering Equipment installed in accordance with the obligation set out in SLC12.18. The SLC12.18 applies where the metering point falls within PCs 5-8 as defined in the BSC. This suggests that where a customer has had an Advanced Meter installed in accordance with SLC12.17-18, but the Metering System now meets the conditions for PCs 3 or 4 in BSCP516, the Supplier can revert the Metering System to NHH Settlement (in PCs 3 or 4).

Proposed solution

This CP proposes to remove the text *'For the avoidance of doubt once an Advanced Meter has been fitted in accordance with the SLC then that Metering System is mandated to be settled on a Half-Hourly basis from 1 April 2017'* from BSCP516 so that it aligns with the correct interpretation of the rules set out in the BSC.

Proposer's rationale

The amendment to BSCP516 will ensure that it aligns with the view that a change of Measurement Class and Profile Class (from HH settled to NHH PC 3 or 4) is permitted by the BSC if a Metering System has been validly reclassified as being within PCs 3 or 4.

Proposed redlining

The proposed redlining to BSCP516 for this CP can be found in Attachment B of this paper.

4 Impacts and Costs

BSC Party & Party Agent impacts and costs

Participant impacts

No costs to participants are expected from this CP.

BSC Party & Party Agent Impacts	
BSC Party/Party Agent	Impact
HHDC	This change will clarify to Parties that reverting from HH to NHH is possible under P272 if a Metering System has been validly reclassified.
NHHDC	
Suppliers	

Central impacts and costs

Central impacts

This CP will only affect BSC documentation, it requires removing a statement in BSCP516. No BSC Central Systems will be impacted.

Central Impacts	
Document Impacts	System Impacts
<ul style="list-style-type: none">BSCP516	<ul style="list-style-type: none">None

Impact on BSC Settlement Risks
Ellexon anticipate no impact on Settlement Risks associated with this change.

Central costs

The central implementation costs for CP1549 will be less than £1000.

5 Implementation Approach

Recommended Implementation Date

This CP is recommended for implementation on 24 February 2022 as part of the standard February 2022 BSC Release to ensure the change is implemented at the earliest opportunity.

SVG's initial views

The CP1549 Progression Paper (SVG 248/03) was presented to the SVG at its meeting on [5 October 2021](#). The SVG had no comments on the CP or the timetable for progression.

7 Industry Views

This section summarises the responses received to the CP Consultation. You can find the full responses in Attachment C.

We received three responses for CP1549, two from Suppliers and one from a Trade body. The two Suppliers were in favour of progressing CP1549 and agreed with the proposed solution. The Trade body disagreed with the proposed solution.

Summary of CP1549 CP Consultation Responses

Question	Yes	No	Neutral/ No Comment	Other
Do you agree with the CP1549 proposed solution?	2	1	-	-
Do you agree that the draft redlining delivers the intent of CP1549?	2	-	1	-
Will CP1549 impact your organisation?	1	1	1	-
Will your organisation incur any costs in implementing CP1549?	-	2	1	-
Do you agree with the proposed implementation approach for CP1549?	2	-	1	1
Do you have any further comments on CP CP1549?	2	1	-	-

Comments on CP1549

One respondent that was in favour of CP1549 stated that they believed more comprehensive guidance should be issued to Suppliers regarding the various scenarios in which a move from HH settlement to NHH settlement is permitted. Elexon has taken the respondent's comments on board and we will be working on producing a comprehensive guidance for Suppliers, to be published on 24 February 2022 when this CP is implemented.

Only one respondent identified an impact on their organisation, responding that it would be a low impact. The respondent commented that they have customers contacting them asking to be moved to PC 3 or 4 because their load requirements have changed.

The respondent that disagreed with the proposed changes had the view that this CP is based on a revised interpretation of the BSC and SLC and they did not believe that revised interpretation is correct. The respondent highlighted that they had also expressed this view to many BSC representatives after Elexon issued the [communication on June 7th](#). In line with this CP, Elexon believes that BSCP516 is inconsistent with the legal text, therefore this CP is necessary to align BSCP516 with the legal text.

The respondent also made the point that reverting from HH to NHH Settlement will be temporary as we move to Market-Wide Half Hourly Settlement (MHHS). Elexon recognises that any change from HH back to NHH will only be temporary. Any NHH meters will eventually be captured and migrated to HH as part to the MHHS Programme.

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Comments on the proposed redlining

No comments were made about the redlined text.

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8 Recommendations

We invite the **SVG** to:

- **APPROVE** the proposed changes to BSCP516 for CP1549; and
- **APPROVE** CP1549 for implementation on 24 February 2022 as part of the standard February 2022 Release.

Appendix 1: Glossary & References

Acronyms

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

Acronyms	
Acronym	Definition
BSC	Balancing and Settlement Code
CP	Change Proposal
CPC	Change Proposal Consultation
HH	Half Hourly
MHHS	Market Wide Half Hourly Settlement
NHH	Non Half Hourly
PC	Profile Class
SLC	Supply Licence Condition
SVG	Supplier Volume Allocation Group

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.

External Links		
Page(s)	Description	URL
2	BSCP516 'Allocation of Profile Classes and SSC's for Non Half Hourly SVA Metering Systems Registered in SMRS'	https://www.elexon.co.uk/csd/bscp516-allocation-of-profile-classes-and-sscs-for-non-half-hourly-sva-metering-systems-registered-in-smrs/
2	CP1433 'Clarification of which Metering Systems are captured by the P272 requirements'	https://www.elexon.co.uk/change-proposal/cp1433/
2	P272 'Mandatory Half Hourly Settlement for Profile Classes 5-8'	https://www.elexon.co.uk/mod-proposal/p272-mandatory-half-hourly-settlement-for-profile-classes-5-8/
2	BSC Section L 'Metering'	https://www.elexon.co.uk/the-bsc/bsc-section-l-metering/
3	Supply License Condition	https://www.ofgem.gov.uk/sites/default/files/docs/2020/07/electricity_supply_standard_license_conditions.pdf
3,9	June 7 th Communication 'Clarification of criteria for Non-Domestic SVA Metering Systems to be allocated to Profile Classes 3 or 4'	https://www.elexon.co.uk/article/clarification-of-criteria-for-non-domestic-sva-metering-systems-to-be-allocated-to-profile-classes-3-or-4/

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External Links		
Page(s)	Description	URL
8	SVG248 meeting	https://www.elexon.co.uk/meeting/svg248/