
P432 Workgroup Meeting 1 Summary

Summary

1. Meeting Objectives

1.1 The Chair welcomed Workgroup members and informed attendees of the required meeting outcomes:

- Consideration of the background to P432
- Consideration of the P432 Terms of Reference
- Agree the solution to be taken forward for the legal text drafting
- Confirm Next steps

2. Terms of Reference

2.1 Elexon presented the Terms of Reference questions to Workgroup members.

a) Should the BSC definition of Advanced Meters be extended from SLC 12.18 to other SLC conditions?

Consensus amongst the Workgroup members is that the new definition for Advanced Meters in 'BSC Section X, Annex X-1' should be "Metering Equipment which satisfies the definition of 'Advanced Meter' in paragraph 39.23 of standard condition 39 of each Supply Licence."

This new definition would include advanced domestic customers. Provisions should be included in P432 to reflect any exceptions e.g. for domestic customers to opt-out. This definition would capture CT as well as whole current Meters, however the P432 mandate only applies to CT Meters, this distinction would need to be captured elsewhere in the legal text.

Given the MHHS TOM and SLC is split by meter type, the majority of members believed it appropriate to align to this approach for this Modification, especially as the MHHS Programme will take this approach.

This new definition would not mandate the move to HHS, but would keep the BSC and SLC aligned in terminology and approach. One member questioned why we need a definition of an Advanced Meter at all in the BSC, and shouldn't we look at connection type rather than meter type. Whilst it was accepted this approach could work, it did not support the market segmentation that MHHS is working towards, as a fundamental concept in the Ofgem-approved MHHS TOM is that the market is segmented by Meter type.

b) What interactions does the proposal have with existing P272 obligations and CP1549?

Elexon confirmed that CP1549 allows Non-Domestic customers with an Advanced Meter migrated from Profile Class (PC) 5-8 to HH Settlement (as part of the P272 process) back to NHH Settlement if validly reclassified as PC3-4.

A Workgroup member stated that they were given conflicting messages from Elexon surrounding the CP1549 and BSCP516 requirements. Elexon stated that the distinction between PC3-4 and PC5-8 was whether max demand was being recorded. The Workgroup member's understanding was that classification was based on whether the LDSO is requiring collection of max demand. **ACTION:** Elexon to confirm this and report back to the Workgroup.

Another member raised a potential dependency from Ofgem. Specifically, Ofgem are due to consult on whether the existing opt-out rules will change. Currently the opt-out rules do not draw distinction by Meter type. Domestic customers are opted out of HH data unless they explicitly opt-in. Ofgem's previous proposal meant that domestic customers were opted-in by default but still did not draw distinction by Meter type, further work in this area is being delayed due to the retail market situation

The consensus was that, given we need to work to the current baseline and that any Ofgem decision was likely to come after this Modification was submitted for Ofgem decision, the legal text should seek to be flexible e.g. by referring to the SLC or providing a default position that could be superseded.

c) Consider removing the ability to CoMC back to NHH?

Workgroup decided that we maintain the ability to move back to NHH to maintain domestic and micro-business opt out rights.

d) Consideration of exemptions

Elxon suggested it should be considered how we want to tackle Meters that can record HH data but don't have communications fitted. Proposer's view is that in order to meet the Advanced Meter criteria as defined in the SLC, the Meters need to have working communications and be HH capable. If a Meter does not have working communications then it is arguably not an Advanced Meter (due to the SLC definition) and so not in scope to be migrated to HH Settlement. Due consideration should be given however to the difference between a fault with previously working communications and Metering Systems where working communications have never been able to be fitted.

The Workgroup agreed that there needs to be requirements for legal text drafting, need to respect the SLC conditions. The Programme will need to consider how any sites that do not move e.g. because they don't have working comms, are handled. **ACTION:** Elxon to raise this with the MHHS Programme.

The Workgroup noted that one of the benefits of this Modification was that it would draw out issues early and give more time to fix them.

e) Consideration of the role of Elxon and the PAB in monitoring, reporting and managing the migration and new obligations.

Elxon gave three options to the Workgroup and noted that P432 will be a smaller migration activity than P272 and so the assurance approach should reflect this and be proportionate. The Workgroup expressed a preference for monthly reporting of the number of Meters that have migrated and the remaining number to migrate.

Elxon mentioned that a Change Proposal (CP) is due to be raised for new registration data items, including connection type indicator. The CP is currently delayed due to a dependency on the REC Co. The target implementation date for the new data items to be added to SMRS is 23 February 2023. The Workgroup had a strong preference to use this data for the reporting. However if the CP is delayed or rejected then there needs to be an alternative option, for example, Supplier reporting (noting that they would have to agree reporting with their Agents to meet the P432 obligations anyway). The Workgroup consensus was also that there should be no enforcement until after the obligation for CT Advanced Meters to settle HH has passed, following which the existing Performance Assurance Techniques could be applied by Elxon/PAB. The Workgroup noted there would not be enough time to properly apply any PAF techniques during the 6 month window anyway.

It was suggested that we hear PAB's views on the three options first, as the Proposer did not have firm views in this area. The Chair suggested that, given the uncertainty around how the Programme will handle assurance, the legal text could allow Elxon and the PAB the option to request migration plans. The Workgroup ruled out a fourth option of 'no assurance'. **ACTION:** Elxon agreed to raise with the Programme what its role or approach would be for the MHHS migration e.g. what the role is for Elxon and the PAB in monitoring, reporting and enforcement.

The Workgroup also agreed that there should be no requirements linked to Change of Supplier events for this Modification as was the case in P272 as there is a hard deadline to settle HH proposed under P432. The Workgroup also reached the consensus that we don't touch Supplier Charges and Performance Levels as part of P432 as it is a wider consideration for the MHHS programme. However, the Workgroup did note that migrating these Meters will impact supplier performance levels, so it is an important consideration.

f) Should the references to the P272 implementation date in the BSC removed, as the implementation date has now passed?

To be discussed during Workgroup 2, when we go through the identified BSC Changes.

g) Assessment of the costs and benefits, where possible and needed.

The baseline view is that we don't perceive a large impact on costs as the processes are already there, and have already been conducted for P272. The main benefit is that P432 is de-risking the transition to MHHS.

As part of the Modification Elaxon will ask interested Parties what costs and benefits there are, specifically what costs there are for implementing this Change and operating this Change. It is not expected that P432 will result in Meter exchange activity as this should have been driven by the SLC obligations already.

h) How will P432 impact the BSC Settlement Risks?

The BSC Settlement Risks will be articulated in the report and reviewed by the Workgroup. SR11 to be removed from the list as not applicable to P432.

i) What changes are needed to BSC documents, systems and processes to support P432 and what are the related costs and lead times? When will any required changes to subsidiary documents be developed and consulted on?

P432 will impact Section X Annex X-1 and BSCP516 and possibly further document changes, which will be subject to the Workgroup's views (these will be discussed in Workgroup 2). We do not expect any BSC systems being amended to facilitate this change.

j) Are there any alternative Modifications?

A Workgroup member will bring forward an alternative modification to Workgroup 2. Elaxon will work with the member to work up the alternative modification.

k) Should P432 be progressed as a Self-Governance Modification?

To be discussed at Workgroup 2.

l) Does P432 better facilitate the Applicable BSC Objectives than the current baseline?

To be discussed at Workgroup 2. Workgroup to think about what their views against P432 would be.

m) Does P432 impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?

To be discussed at Workgroup 2.

Actions

No.	Action	Owner
1.	To confirm the intent and amended obligations following CP1549, given the reported conflicting information.	Elaxon

2.	To raise with the Programme what its role or approach would be for the MHHS migration e.g. what the role is for Elexon and the PAB in monitoring, reporting and enforcement.	Elexon
3.	To raise with the MHHS Programme how they would consider handling sites that do not move e.g. because they don't have working comms.	Elexon
4.	To work with the Workgroup member to work up the alternative modification.	Elexon
5.	To bring Redlining to Workgroup 2.	Elexon
6.	To work up the consultation questions.	Elexon/Proposer