
P434 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 P434
- Consideration of the P434 Terms of Reference
- Agree the solution to be taken forward for the legal text drafting
- Confirm Next steps

2. Timeline for obligations

The Proposer explained that using relative timelines could be a better option than using specific timelines for P434. Currently there are uncertainties around the existing timeline for Market-wide Half Hourly Settlement (MHHS), the dates for P434 could be pinned to relative periods within the MHHS design plan rather than have specific dates for the activities. If there are further changes to the MHHS milestones, the movement of the P434 dates will occur without the need for further Modifications.

At this stage some Workgroup Member were also hesitant to commit to a fixed timeline due to uncertainty over the Change of Measurement Class (CoMC) workload (which would depend on the CoMC method agreed).

The Workgroup consensus was that a relative timeline should be used for P434 so there is more flexibility if the MHHS timeline changes. The legal text will need to accommodate this. **ACTION:** Elexon to draft the legal text in a way that the timelines are relative.

3. Use of Data Flows

The Workgroup discussed that currently many Suppliers do not send Meter Administrators (MAs) appointment flows as many Suppliers do not recognise the MA role in their systems. Also, because the MA is appointed in the position of the MOP for HH UMS, this causes system difficulties for some Suppliers. If there is going to be a migration of 20,000 UMS Metering Systems there needs to be a more structured process in place.

The Workgroup agreed that this issue needs addressing as part of P434, as the current manual process is not suitable for bulk appointments. Sending these data flows is likely to require some system changes which Suppliers will need to bear the cost of, this will need to be consulted on to get Supplier's input. **Action:** Elexon and Proposer to work up consultation questions around the use of data flows.

MAs also do not typically receive D0139s (Confirmation or Rejection of Energisation Status Change), this is because there is no reason to need to energise or de-energise a HH UMS MPAN, so this flow has never needed to be sent. This is not the case for NHH MPANs that exist for festive lighting, typically these are energised in November and de-energised in January. A number of these NHH MPANs are likely to become HH MPANs and will have periods of the year where under the current arrangements be de-energised.

[CP1546 'Introducing DTC flows to transfer UMS Summary Inventories and Control files'](#) is introducing the concept of a zero inventory charge code. Unmetered Supplies Operators (UMSOs) can use this charge code for MPANs that are de-energised/ no longer have power consuming equipment to indicate there is a zero watt item and MAs can then calculate this as zero consumption.

The Workgroup agreed this is an issue that is in scope of P434 and the D0139 requirement for MAs should be consulted on.

4. Requirement to use PECU Arrays

The Workgroup discussed that currently the BSCP allows UMOS to decide whether a customer should have a PECU Array or not, this leads to different UMOS taking different approaches, so there is a benefit in formalising this. It was suggested that for larger customers PECU Arrays could be mandated to obtain more accurate results.

It was suggested that a PECU Array could be added to each Grid Supply Point (GSP) Group so that the latitude and longitude of MPANs can be determined. However, the concern with this was that although PECU Arrays are the most accurate way to determine what is going on in a particular area, in larger areas the data may not be as accurate, as shared PECU Arrays may not be reflective of the whole area.

The Workgroup consensus was that PECU Arrays should not be mandated as part of P434 but clearly this is an issue that needs looking in to. **Action:** Elexon to pick this up with Unmetered Supplies User Group and/or a new Issue Group.

5. Terms of Reference

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

a) Consideration of the role of Elexon and the PAB in Migration planning and data cleansing

Proposer had the view that there needs to be hard assurance where everything needs to be completed by the end date (October 24 at the moment) for P434.

One of the concerns noted was if the approach of creating new MPANs is taken, Suppliers may not want to register these new MPANs or may potentially break customer contracts. From an assurance perspective, the CoMC process of individual MPANs work better, Suppliers already have those MPANs in their systems so they will not have the option to register new MPANs. If the existing MPANs are retained and it is agreed which are going to be migrated, then it shouldn't be a hard exercise to monitor. MAs, UMOS and Suppliers can provide answers on how many they have migrated. It was agreed that the CoMC approach needs to be agreed on before deciding on the assurance.

The Assurance team will take the approach to not put techniques to the Modification early on, it will be left open to see what techniques need to be employed at a later stage. The consensus was that Elexon is expected to do monitoring but how it is done is to be determined. However, monthly monitoring will be a good starting point.

Action: Elexon to determine how to carry out the assurance for P434.

Elexon informed the Workgroup that the Code Change and Development Group (CCDG) recommended a period of data cleanse activity between April 2023 – October 2023 (although it can start earlier). The consensus was that the data cleansing needs to be coordinated between Suppliers and UMOS but UMOS would need to lead the data cleansing. However, UMOS will need input from Suppliers as Suppliers have more contact with the customers. As a starting point, UMOS will need a list of designated contacts. It was suggested that we could take a similar approach to [P283 'Reinforcing the Commissioning of Metering Equipment Processes'](#) which established communication links, which was essentially a list of Supplier and DNO contacts. The Workgroup suggested Elexon should facilitate this.

It was suggested that a template could be developed which contains information that UMOS might need for the data cleansing. Suppliers could send through that information for a series of MPANs, so UMOS can then do their own internal investigation rather than looking at different records. This template could include information about the customer details Suppliers have, how Suppliers are billing the customer, information on customer's debt etc.

Action: Workgroup Members to consider what information will needed to be added in the templates.

b) Should the CoMC process in BSCP520 change?

Elexon presented two options for the P434 CoMC approach. Option 1 is the current CoMC process in BSCP520 'Unmetered Supplies Registered in SMRS' which requires a new MPAN to be established with HH Measurement Class, to enable the CoMC the new HH MPAN is energised and the old NHH MPANs are de-energised on the day of change, and then subsequently disconnected. Some UMOS also set the NHH MPANs to a zero EAC to further assure accurate settlement. During CCDG's consultation this option was preferred by Suppliers.

Option 2 would require changing one of the existing NHH MPAN to HH and the remaining MPANs are de-energised/disconnected. This would involve changing the CoMC process in BSCP520. This option was preferred by DNOs during CCDG's consultation.

The Workgroup consensus was that option 2 is the better option to use for P434, as option 1 will require a lot of manual effort from UMSOs. Option 2 will be taken forward for the solution of P434 as it was the preferred option by the Proposer and the Workgroup, however it was noted that this CoMC approach might be challenged by Suppliers during the Assessment Consultation, so both options will be consulted on.

c) Do Suppliers need to change their customers' contracts to reflect cost changes?

The Workgroup noted that given option 2 was the preferred CoMC approach they wouldn't perceive a contract change for customers, but could potentially have a tariff change to reflect the cost differences of the MA coming in and to potentially capture any Time Of Use (TOU) benefits as well. Ultimately this will expose customers to the TOU charges which are applicable under the current DUoS charges better than the profiled ones. Under option 2 it won't be necessary to break customer contracts as there will already be some form of agreement (tariff or agreed contract) for the retained MPAN.

d) Consider whether Suppliers should seek commercial arrangements with MAs directly or if customers should have the option to pick their MA.

The Proposer explained that the CCDG suggested from Oct 2022 (or earlier) to Oct 2023 commercial arrangements will be agreed between Suppliers and MAs. With the number of customers that will need to go through the migration process it does require Suppliers to have arrangements with MAs. However, currently customers do have direct MA agreements in some instances so we do not want to remove the ability of customer choice in this space.

The Workgroup consensus was that the direct relationship between Suppliers and MAs will be beneficial. The first point of call should be for the Supplier to put arrangements in place, but we should keep the optionality in place for customers too.

e) Assessment of the costs and benefits, where possible and needed

Elxon explained that costs for industry will be consulted on as part of the Assessment Consultation. As part of the Consultation Elxon will ask respondents to consider the cost and impacts of option 2. The Workgroup suggested that we should also ask about costs for option 1 during the consultation. Elxon will include questions for the total cost of both options and the differential cost. It was suggested that it may also be helpful to draw out activities that need to be carried out for the options e.g. CoMC of MPAN, disconnecting MPANs etc. it will be easier to compare the two options this way.

The Workgroup agreed that P434 has a positive consumer benefit on 'reduced environmental damage' and 'improved Quality of Service'. It was agreed that P434's impact will be neutral for 'lower bills than would otherwise be the case', bills will be more accurate but it is offset by the MA costs so the impact is neutral. It was pointed out that these benefits are about migrating NHH UMS MPANs to HH rather than bringing the migration forward for P434, however it was suggested that by bringing the migration forward these benefits will be realised earlier. Furthermore the main benefit of this Modification is that it will de-risk the transition to MHHS, early migration will allow time for Customers, Suppliers and UMSOs to address any issues that may arise.

f) How will P434 impact the BSC Settlement Risks?

P434 will impact [SVA Risk 11 'Unmetered Supplies volumes calculated incorrectly'](#). Risk 11 captures all risks that may exist in UMS sites. The risk for P434 is the transition from NHH to HH which is only a temporary risk until the process is complete. However, the process is still up in the air even though the preference landed on was option 2.

g) What changes are needed to BSC documents, systems and processes to support P434 and what are the related costs and lead times? When will any required changes to subsidiary documents be developed and consulted on?

P434 will impact BSC Section S 'Supplier Volume Allocation', possibly Section X, Annex X-1 'General Glossary', BSCP520 'Unmetered Supplies Registered in SMRS', BSCP516 'Allocation of Profile Classes and SSC's for Non Half Hourly SVA Metering Systems Registered in SMRS'.

We do not expect any BSC systems being amended to facilitate this Change, therefore Elexon costs will be low. Costs will be associated with document changes and Elexon will need to do analysis around the cost of monitoring.

The Workgroup consensus was that the redlining for BSCP520 should be done during the Assessment phase, the redlining for BSCP516 can be done during the Implementation phase later.

BSCP502 will also need to be reviewed to see if any changes are needed to be added around the CoMC process into the Half Hourly Data Collector. **ACTION:** Elexon to bring legal drafting to the next Workgroup meeting and to review BSCP502.

h) Are there any alternative Modifications?

No alternative Modification was formally raised, but the Workgroup will reserve the right to raise an alternative, particularly around option 1. The Workgroup will need input from industry during the consultation to form a decision.

i) Should P434 be progressed as a Self-Governance Modification?

The Workgroup agreed that P434 should not be progressed as a Self-Governance Modification.

j) Does P434 better facilitate the Applicable BSC Objectives than the current baseline?

The overall Workgroup consensus was that P434 better facilitates BSC objective d) 'Promoting efficiency in the implementation and administration of the balancing and settlement arrangements. Some members agreed P434 better facilitates objective c) 'Promoting effective competition in the generation and supply of electricity, and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity', but some members were neutral on objective c as they could not see a clear benefit for this.

k) Does P434 impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?

P434 does not impact the EBGL provisions held within the BSC, however this will be monitored once the legal text is drafted.

Actions

No.	Action	Owner
1.	Draft the legal text in a way that the timelines are relative.	Elexon
2.	Work up consultation questions around the use of data flows	Elexon and Proposer

3.	Elxon to pick this up with Unmetered Supplies User Group and/or a new Issue Group.	Elxon
4.	Determine how to carry out the assurance for P434.	Elxon
5.	Consider what information will needed to be added in the templates for the data cleanse.	Workgroup Members
6.	Bring legal drafting to the next Workgroup meeting and to review BSCP502.	Elxon