

INCORRECTLY HELD METERING SYSTEM ATTRIBUTES

This document outlines the methodology used to assess the Settlement Risk related to Metering System attributes being incorrectly held. We are not seeking to exhaustively outline all aspects considered during this assessment; our aim is to draw out the main data items considered and any key assumptions when estimating a future impact range.

The risk that... Metering System attributes held in the Supplier Meter Registration Service (SMRS) or by any party in the Supplier Hub are incorrect **resulting in...** erroneous or estimated data in Settlement.

Category: Registration and Appointments

Sub category: Attributes

Covers: Supplier ID, Standard Settlement Configuration, Time Pattern Regime and Profile Class. **Does not cover:** Measurement Class

Estimated impact in 2020/21

Market	Lower	Middle	Upper
NHH	£76k	£318k	£927k

Please note: This risk covers Metering Systems that are incorrectly attributed to a class of reference data (e.g. Metering System with incorrect SSC in SMRS). Risk 15 covers the risk that the reference data is incorrect (e.g. the class average EAC values for an SSC have not been registered correctly in MDD). Furthermore, although this risk does cover both the HH and NHH market, only the NHH market was considered for the scoring as only NHH sites are associated with Metering System attributes that can have a material impact if incorrect.

At risk population

As part of this assessment, we seek to understand the population at risk in the upcoming period. For this risk, this population is all registered SVA Metering Systems, which was taken from SMRS.

NHH Market	2018	2019
Profile Class 1-4	41m	39m

Forecast

Below are the key considerations and assumptions when forecasting the at risk population in the 2020/21 period:

- When forecasting future events for the NHH market, we felt the proportion observed in the NHH Profile Class 1-4 market is more likely to be representative of what we may see in the upcoming period due to Modification P272. Profile Class 5-8 sites are therefore not considered as part of this assessment, as we are expecting the population to continue to diminish.
- We are forecasting failure rates in the NHH market that are comparable to those observed in previous years, with the potential for some slight degradation as activity levels increase as part of the smart Meter rollout.

Failure rate

From the population at risk, we need to estimate the proportion where the risk will manifest, i.e. the failure rate. To do this, we assess historical performance in the area and consider any upcoming changes that have the potential to impact future performance.

Data points considered

When assessing historical performance in the area, we considered Audit issues from the BSC Audit.

INCORRECTLY HELD METERING SYSTEM ATTRIBUTES

- SSC was considered to be the only Metering System attribute for which a mismatch would result in a material error.
- We used historical performance observed through NHH D0095 exceptions when forecasting future failure rates due to issues with the accuracy of the SSC Effective from Dates (EFD) in SMRS. We used the total number of Metering Systems and D0095 exceptions to calculate the failure rate percentage.
- We used Meter Exchange information in order to calculate the failure rate.

➤ The Non Half Hourly Data Aggregation Exception Report (D0095) provides Suppliers with details of anomalies in the data provided to NHHDCs by NHHDCs and SMRAs.

The following table provides a view of the relevant material D0095 exceptions. We do not have a full data set for 2019/2020 and it was therefore omitted from the scoring.

NHH Market	2016/17	2017/18	2018/19
Inconsistent SSC	29.3k	29.8k	23.0k

Impact

To estimate the impact of a risk we need to understand the days impacted and error volume on average per instance.

Average days impacted

We looked at the average days that were backdated when a correction was made to either the SSC or TPR following a meter exchange. This was used as a rough proxy as the D0095 exception report did not provide this data. The following table provides a view of the average calendar days SSC/TPR are incorrect. Please note that there could be other events outside of Meter exchanges that can result in incorrect Settlement attributes.

Metering System attribute	2017/18	2018/19	2019/20
Average days incorrect	216	157	63

Average error per day

For this risk we considered that the main Settlement impact of incorrectly held Metering System attributes will be defaulted data, i.e. if SMRS holds a one-rate SSC and the DC sends two AA/EACs for the registers of a two-rate SSC, the DA will use a default EAC for the single rate. This will lead to a volume error and a misallocation of energy to the wrong Settlement periods.

➤ NHHDA will use a Default EAC for each Time Pattern Regime (TPR) associated with the SSC registered according to SMRS.

When estimating the error per day, we used the standard rate card related to average daily inaccuracy for default estimates:

Market	Avg. error per day (kWh)
Profile Class 1-4	2.42

We convert the error volume into a monetary value by the forecast system buy and sell price for the upcoming period.