Technical Assurance Agent

Technical Assurance of Metering Systems Annual Report BSC Year 2011-2012

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Document Control

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1 Glossary of terms

Acronym	Definition
BMU	Balancing Mechanism Unit
BSC	Balancing and Settlement Code
BSCP	Balancing and Settlement Code of Practice
Category 1 non-compliance	A non-compliance that is deemed to be currently affecting the quality of data for Settlement purposes
Category 2 non-compliance	A non-compliance that is deemed to have the potential to affect the quality of data for Settlement purposes
CDCC	Consumption Data Comparison Check
CoP	Code of Practice
CVA	Central Volume Allocation
COG	Commercial Operations Group
DC	Data Collector
ecoes	Electricity Central Online Enquiry Service
HHMS	Half Hourly Metering System
HV	High Voltage
LV	Low Voltage
MAR	Meter Advance Reconciliation
MC	Measurement Class
MC 'A'	Measurement Class A – Non Half Hourly Metered
MC 'C'	Measurement Class C –Half Hourly Metered > 100kw
MC 'E'	Measurement Class E – Half Hourly Metered < 100kw
MOA	Meter Operator Agent
MTD	Meter Technical Details
NMTES	National Measurement Transformer Error Statement
Observation	A non-compliance that is deemed neither to affect nor have the potential to affect the quality of data for Settlement purposes
PAB	Performance Assurance Board
SAP	Senior Authorised Person
SVA	Supplier Volume Allocation
TAA	Technical Assurance Agent
TAAMT	TAA Management Tool
TAMEG	Technical Assurance of Metering Expert Group
UTC	Co-ordinated Universal Time

2 Introduction

2.1 *What is our role as the TAA?*

Acting as the TAA we monitor compliance by parties with the requirements of the BSC, Codes of Practice and BSCPs. We execute this by carrying out audits of Half Hourly Metering Systems (HHMS) and issue non-compliances where obligations are not being met.

The Technical Assurance of Metering technique is detailed in:

- Section L7 of the Balancing and Settlement Code (BSC); and
- BSCP27 – 'Technical Assurance of Half Hourly Metering Systems for Settlement Purposes.'

The aim of carrying out these audits is to provide assurance to the BSC Panel and the PAB as to the health of HHMS.

2.2 *How have we performed?*

In this report we aim to provide our interpretation of the data detailed within the accompanying annual statistics report, showing both visit and non-compliance performance during the 2011-2012 audit year and comparing these findings with previous years to identify any potential trends.

In the 2011-2012 audit year we visited 1,236 SVA and CVA HHMS[1] where the Measurement Class is 'C'[2]:

- CVA HHMS – 102
  (normally randomly selected to provide a 5% representative sample, as part of the Main sample, but additional visits undertaken this year due to no agreed Specific Sample).
- SVA HHMS - 1134:
  - Main Sample – 1131

    (randomly selected to provide a 1% representative sample of the mandatory Half Hourly metered population)
  - Re-Inspection Visits - 2
    (where a Category 1 non-compliance had been previously identified and then rectified).
  - Targeted Inspection Visits – 1
    (where non-compliance was suspected).

[1] These include both visits where access was gained as well as not accessed.

[2] Measurement Class C is where a site is mandatory Half Hourly metered

Our selection criteria were: sites that are equipped with Half Hourly Meters and identified as energised.

2.3 *Important notes and assumptions*

All percentage totals recorded in this document may not equal exactly 100% if summed, due to rounding.

Some non-compliances are categorised as miscellaneous categories, due to the fact that the issues are too disparate to report on effectively.

3 Statement on the Health of the HH Metering System Population

Since C&C Group was appointed as the Technical Assurance Agent, the evidence we have collated from the Metering System inspections, at first glance, would suggest that the Half Hourly market has become healthier in terms of a reduction in recorded Category 1 non-compliances. However, based upon our analysis, evidence would suggest that there remains a risk to Settlement from HHDCs recording incorrect data from faulty or inaccurate Metering Systems as recognised by some of ELEXON's top Settlement Risks:

- 28 (The risk that HHMOAs make changes to the Metering System and do not inform the HHDCs resulting in Meter readings being misinterpreted or not collected),
- 112 (The risk that HHDCs use data from faulty Metering Systems resulting in incorrect data being entered into Settlement), and
- 113 (The risk that the LDSO-owned Settlement Metering Equipment is not maintained, resulting in incorrect data entering Settlement).

This report illustrates that for SVA HHMS inspected this year, 1.5% were identified as having Category 1 non-compliances that are likely to affect Settlement. When this figure is extrapolated across the current Half Hourly market, this would indicate there is a potential for 1,770 HHMS that could be affecting Settlement based upon the current HH population. These Category 1 issues such as shorted current transformers (CTs), fuse failures and wiring errors show similar percentages year on year.

We have observed a reduction in standing data non-compliances (Cat 1.01) which we believe is as a result of a combination of factors:

Industry has made improvements in the administration of the D0268[3] data flow, hence a reduction in those non-compliances relating to inaccuracies in standing data. This can be attributed to:

- An improvement in evidence presented to us,
- More diligence in the management of D0268s by the HHDC, and
- Timely and accurate instruction updates by the MOA following Meter updates, etc.

This report highlights an association between the quality of commissioning evidence and Category 1 non-compliances. Throughout the audit years where Category 1 non-compliances have been identified there is often a lack of commissioning records associated to the same Metering System.

This year we have identified two Category 1 non-compliances as part of our audit activities for CVA registered metering systems. We can clarify that both

[3] The D0268 is used in the SVA market to communicate HH Meter Technical Details between participants, e.g. MOAs, Suppliers, HHDCs and Licensed Distribution System Operators.

of those identified related to Check Meters and therefore are considered to be of little risk to Settlement.

We noted that average timescales to rectify Category 1 non-compliances has increased significantly this year. We have worked closely with ELEXON by providing information on request of the status of all outstanding non-compliances. We believe that if it wasn't for this collaboration with ELEXON, the time to rectify non-compliances would be worse than the figures recorded within this report.

We are pleased to report that the number of instances of minor time drifts has fallen (from 62 to 26) in this audit year. We have identified, having reviewed participant responsibility for this year's minor timing errors, that one individual HHDC accounts for around 50% of those recorded non-compliances.

In this report we acknowledge and support the good work of the TAMEG chaired by ELEXON. This includes the recently raised Modification Proposal (P283) which aims to address the issue of who is best placed to carry out commission tests on CTs and VTs. For a number or years we have consistently reported our concerns surrounding commissioning and its potential to impact Settlement. With commissioning non-compliance figures averaging around 25% of those identified on an annual basis, there is a risk to Settlement, as we cannot confirm if commissioning has been completed for all Metering Systems. We are concerned that this year has seen a significant increase in the number of commissioning non-compliances; with figures of 34% for the SVA sample and 37% for the CVA sample (see Figures 6 and 7).

It should be noted that a review of the SVA Overall Accuracy calculations undertaken as part of our audit process indicates that around 25% relied upon data being available via the NMTES rather than through actual certificates. This figure, in our opinion, shows how important the NMTES has become as an industry tool and participants should be encouraged to further develop it using BSCP515.

The difficulties expressed by Meter Operator Agents in obtaining and retaining Measurement Transformer calibration certificates have been well documented. What we find concerning is the number of Meter Calibration certificate non-compliances that are regularly reported. This is an area where performance figures could be improved.

Meter Calibration certificates are the responsibility of Supplier and Meter Operator Agents alike. We believe that Suppliers, when looking to Meter Operator Agents for assurance, should as part of their series of checks, ask that all calibration certificates are in the Meter Operator Agents possession and if not why not?

We appreciate that some meters are owned by the customer. However this should not prevent the Meter Operator from obtaining certificates as part of any contract agreement.

4 Audit Findings

4.1 *Category 1 Non-Compliances*

4.1.1 2011-2012 Performance

SVA

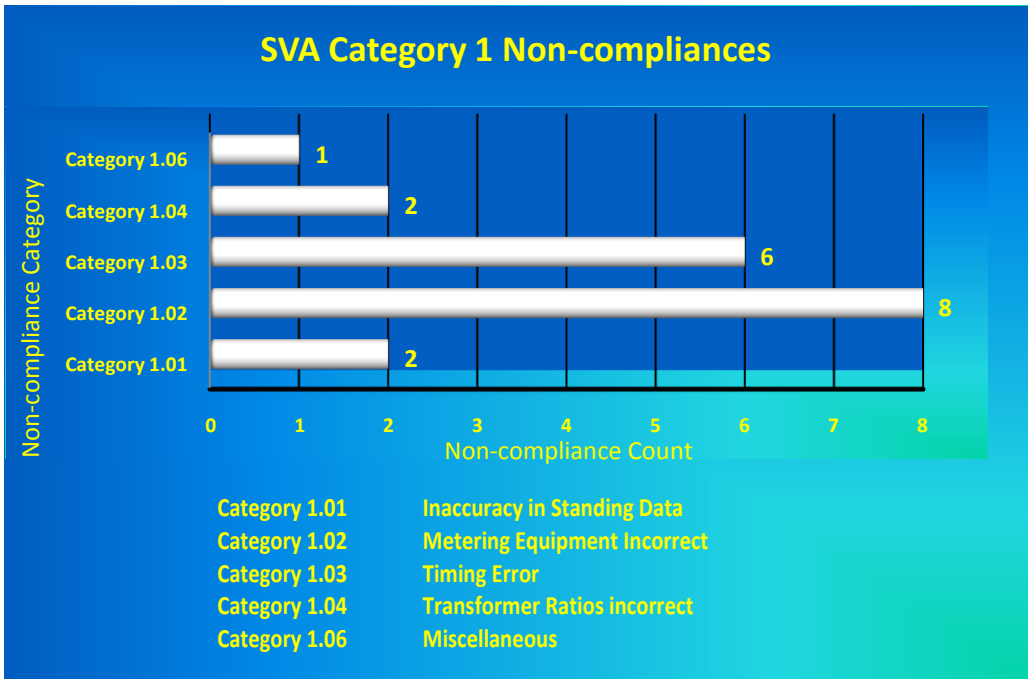
Category 1 non-compliances are those that are considered to be impacting Settlement.

We have seen a significant fall in the numbers of Category 1 non-compliances identified compared to the 2010-2011 audit year. The fall in Category 1.01 non-compliances would suggest the industry has made improvements in the administration of the D0268[4] data flow.

The total number of non-compliances recorded this year amounted to 19 which is a fall of 50% from last year's figure of 38.

Of the 19 Category 1 non-compliances reported, over 90% are considered to pose a risk to Settlement and are attributed to Metering Equipment integrity including fuse failures (Cat 1.02), short circuited CTs (Cat 1.02), Meter programming errors (Cat 1.02/1.04) and Outstation timing errors (Cat 1.03) as confirmed by Figure 1 below.

Figure 1 – SVA Category 1 Non-compliances

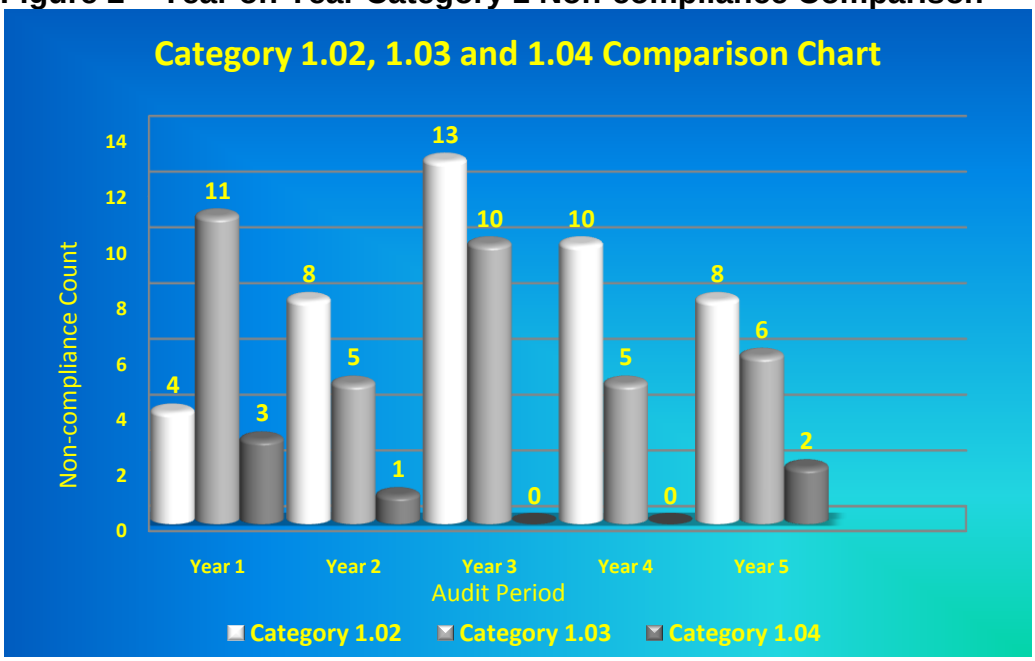


[4] The D0268 is used in the SVA market to communicate HH Meter Technical Details between participants, e.g. MOAs, Suppliers, HHDCs and Licensed Distribution System Operators.

As part of our analysis of Category 1 non-compliances relating to incorrect Metering Equipment setup it should be noted that around 90% of those identified also had either no commissioning records available for review or the records were deemed to be incomplete.

Figure 2 illustrates those particular categories of non-compliance other than inaccuracies in standing data (D0268) that pose a risk to Settlement; these comprise: incorrect meter installation setup (Cat 1.02/1.04), fuse failure (Cat 1.02) and major Outstation timing issues (Cat 1.03). These failure rates have remained constant year on year.

Figure 2 – Year on Year Category 1 Non-compliance Comparison



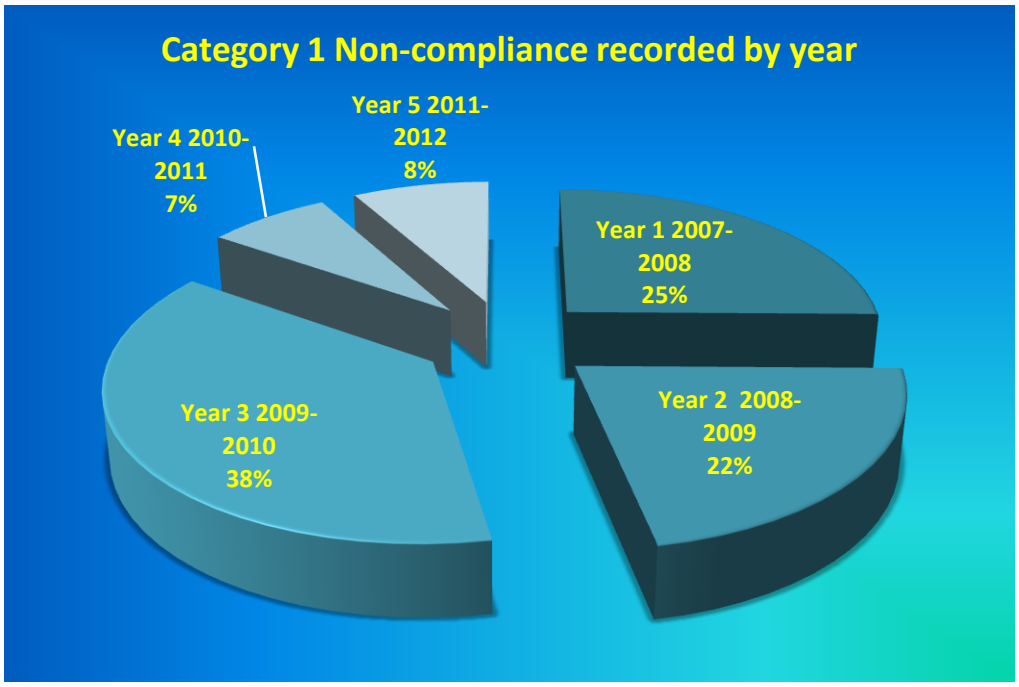
4.1.2 Category 1 Non-Compliance Trend Analysis

SVA

Figure 3 shows the percentage split of Category 1 non-compliances likely to pose an impact to Settlement recorded over the past 5 years.

This chart takes into consideration the re-classification of Meter Register Multiplier from Category 1.01 to Category 2.02 (2010-2011) and re-classification of Measurement Transformer ratio errors within the HHDC D0268 from Category 1.01 to Category 2.02 (2009-2010).

Figure 3 – Category 1 Non-compliances recorded by year



In Figure 3 you can see that, as a proportion of SVA Category 1 non-compliances, we identified a larger number in years 1 to 3. We evaluated the statistics and noticed that a number of D0268s held by the HHDC listed incorrect Meter serial numbers.

Though we still reported similar cases in years 4 and 5, the number of these Category 1 non-compliances has reduced. It is suggested that this is linked to those general improvements in the management of D0268 data between the MOA and the HHDC as previously discussed.

It should be noted that we have recorded a steady increase in issues relating to Meter CT/VT ratio programming with an increase to five this year from two in the 2010-2011 audit year. Performing correct and full commissioning would identify such inaccuracies. It is not sufficient to limit test results to Metering System secondary circuits where primary circuits are difficult to access especially for HV sites.

We note that in Year 3 there was a noticeable increase in the number of non-compliances identified in terms of Complex Metering standing data where the

Complex Metering key field was incorrectly recorded within the HHDC D0268. This accounted for 35 individual non-compliances for this audit year.

CVA

We identified two instances of Category 1 non-compliance in the audit year. This brings the total to three Category 1 non-compliances since 2007. This statistic is very encouraging and indicates good market performance within the CVA market, with regards to Metering System setup. The non-compliances in this audit year were attributed to inaccuracies within the Meter Technical Details, in particular, incorrectly listed Meter serial numbers.

4.1.3 Our Recommendation

As discussed in our analysis, we believe that incorrectly programmed Meter measurement transformer[5] ratios is an area that should be addressed by improving the dialogue between System Operators and Meter Operators using such forums as the TAMEG and the Commercial Operations Group (COG).

Performing correct and full commissioning should identify such programming inaccuracies. It is not sufficient to limit test results to Metering System secondary circuits where the primary circuits are difficult to access (e.g. at high voltage sites).

4.2 *Category 2 Non-Compliances*

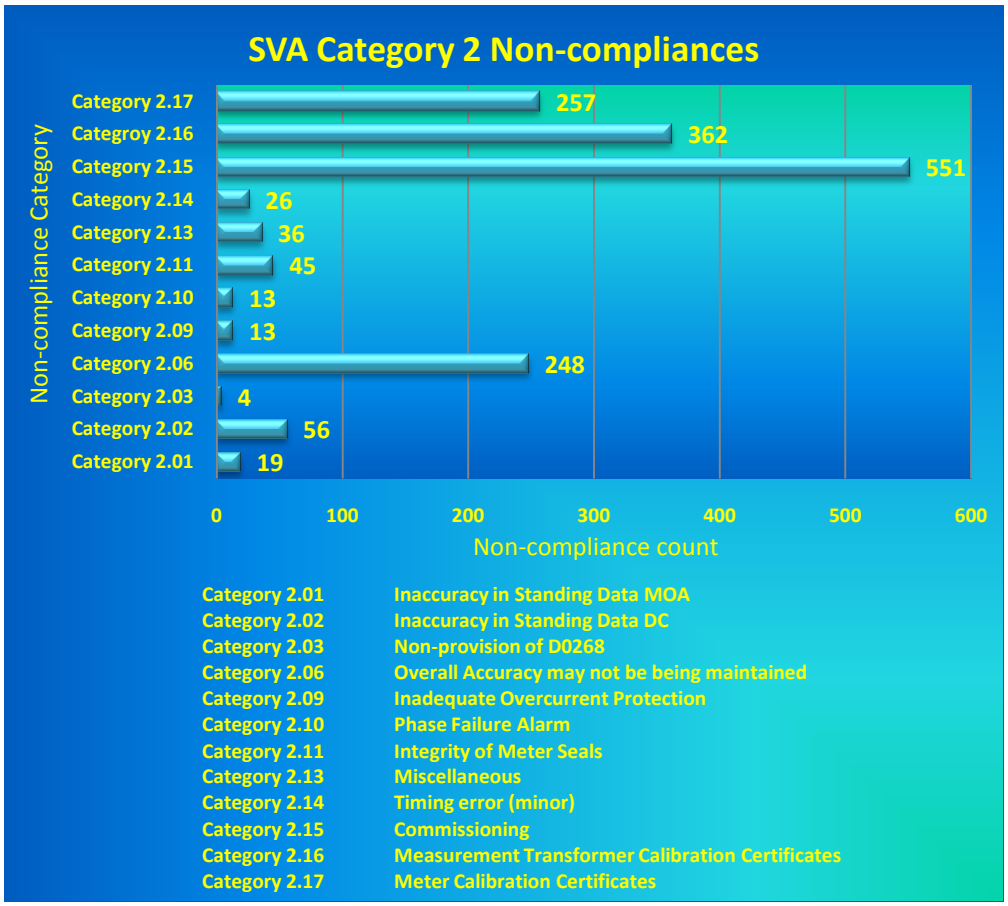
4.2.1 2011-2012 Performance

SVA

Category 2 non-compliances are those that are considered as not currently impacting Settlement but have the potential to do so. This year we recorded a total of 1,630 Category 2 non-compliances. The highest frequency of these are again related to missing calibration certificates, overall accuracy limits exceeded and missing/incomplete commissioning records as illustrated in Figure 4.

[5] The term Measurement Transformer covers both Current Transformers and Voltage Transformers.

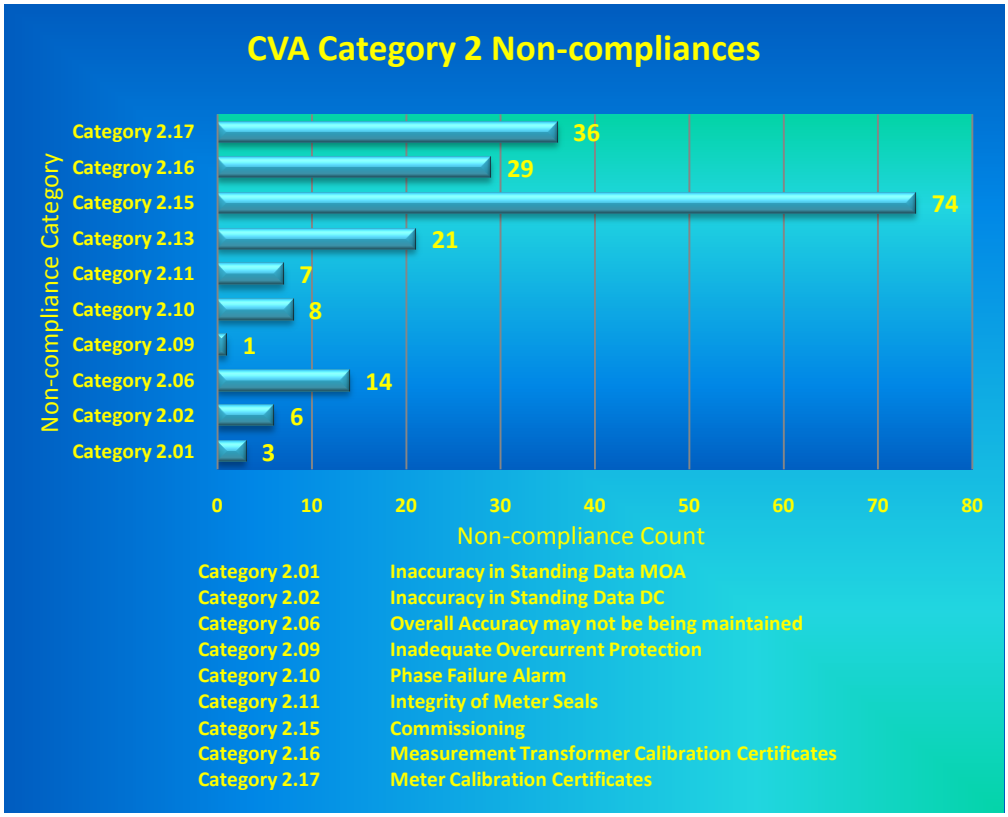
Figure 4 – SVA Category 2 Non-compliances



We have seen a steady decrease in the total number of Category 2 non-compliances reported annually since its peak of 1,947 in year 2. This year saw falls in Category 2.01 Standing Data accuracy, 2.03 Provision of D0268, 2.09 Fusing and 2.10 Alarms.

CVA

Figure 5 – CVA Category 2 Non-compliances



This year we recorded a total of 199 non-compliances. Comparing these results with those detailed in Figure 4 (SVA) we have made the following observations;

- Both the CVA and SVA markets share similar non-compliance characteristics.
- The highest frequency non-compliances continue to relate to commissioning records and calibration certificates.

4.2.2 Trend Analysis

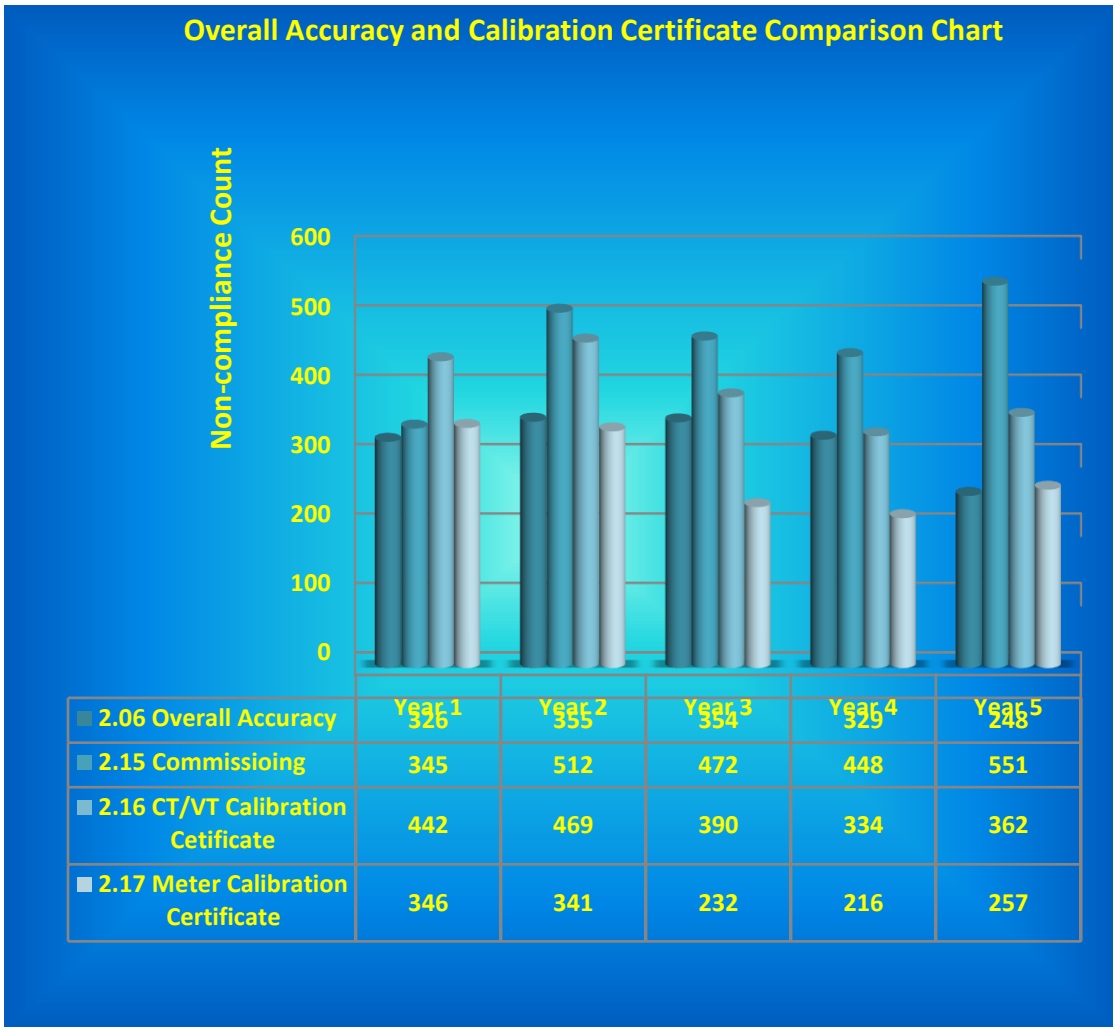
SVA

We analysed the non-compliances recorded over the previous 5 years and the data indicates an improvement in MOA D0268 data flow management and also Metering Equipment sealing. However, the high number of other non-compliances (Figure 6) would suggest little or no improvement elsewhere.

The BSC requires that the Metering System should not exceed a limit of overall accuracy. Where we have not received sufficient evidence (calibration certificates) to calculate and conclude whether overall accuracy of the Metering System is being maintained, a Category 2.06 non-compliance is recorded in addition to those raised for lack of calibration certificates.

Figure 6 shows the relationship between missing calibration certificates and associated overall accuracy non-compliances. The trend between these groups can be seen from year to year.

Figure 6 – Overall Accuracy and Calibration Certificate Comparison Chart



	Year 1	Year 2	Year 3	Year 4	Year 5
2.06 Overall Accuracy	326	355	354	329	248
2.15 Commissioing	345	512	472	448	551
2.16 CT/VT Calibration Cetificate	442	469	390	334	362
2.17 Meter Calibration Certificate	346	341	232	216	257

We analysed the commissioning related non-compliances and it suggests that some of the detected issues are related to installations that have remote or difficult to access CTs. Of those commissioning non-compliances, we have also found that approximately 30% have associated CT/VT calibration certificates non-compliances. We identified that, of these Metering Systems, 80% are fitted with remote or difficult to access CTs.

We also investigated Category 1 non-compliances (for incorrect Metering Equipment setup) and identified that around 90% either had no commissioning records available for review or it was deemed by us to be incomplete.

CVA

Figure 7 – CVA Category 2 Non-compliance Comparison Chart

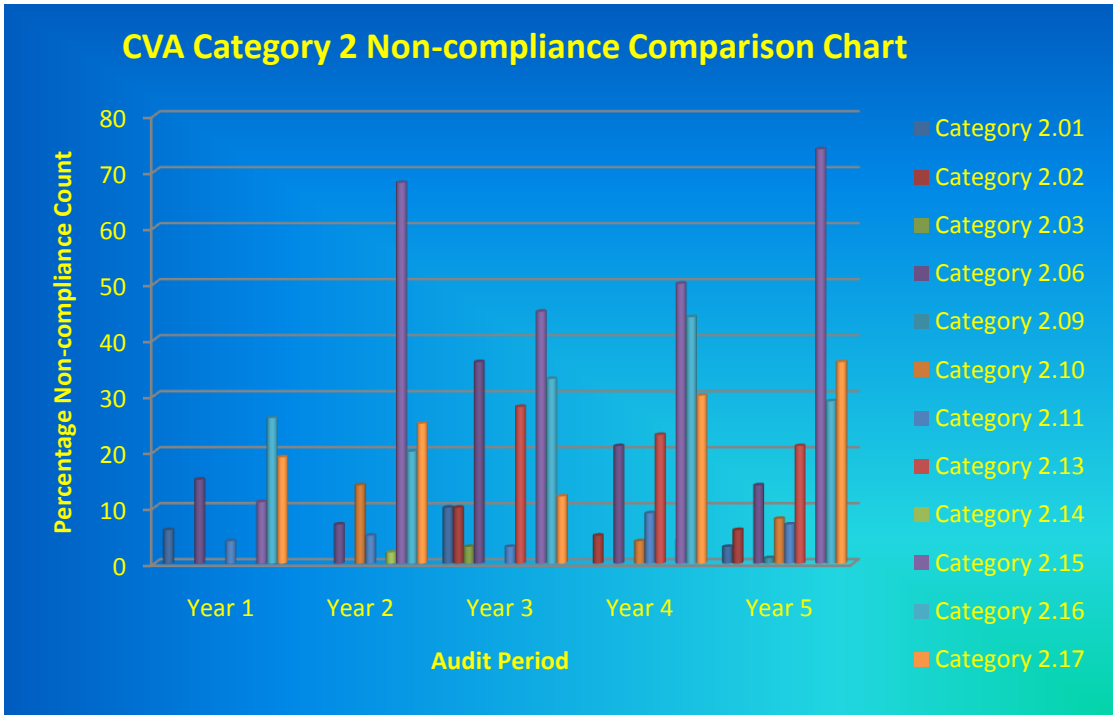


Figure 7 identifies a similarity in the pattern of non-compliances raised to those identified for the SVA market.

Once again, as per the SVA findings, the management of commissioning records (Cat 2.15) and Metering Equipment calibration certificates (Cat 2.16 & 2.17) result in the highest volumes of non-compliance.

What we have established, when reviewing the data since a peak in year 3, is that the total non-compliance count is steadily falling. The slight decline cannot be attributed to any specific non-compliance category.

4.2.3 Conclusion

Although we can see evidence of small decreases in some non-compliance counts, overall figures in our opinion remain high. We fully support the Modification Proposal P283 and its potential to impact commissioning for new metering installations. There is, we believe, more work to be done through such forums as the TAMEG and the COG to address those outstanding historical non-compliances.

4.3 *CDCC Non-Compliances*

4.3.1 2011-2012 Performance

We attempt to perform CDCC for each and every inspection; this entails us comparing metered energy data for one half hour recorded at the time of the visit with data held by the HHDC or CDCA. Where we discover any discrepancy of more than +/-5% the CDCC is recorded as non-compliant. To date we have not identified any CDCC failure with a Category 1 non-compliance, to the best of our knowledge the incidence of this occurring is

very low. D0268 or MTD population error such as Meter Serial Number, Outstation Channel and Communications address could potentially have an impact on CDCC.
The CDCC was conducted for 1,028 HHMS, of which 98% were found compliant. We did not manage to perform a CDCC for three inspections because:

- We are still waiting for the HHDC to submit additional information,
- The Metering Equipment was not located at the business address registered,
- Data was lost and could not be provided by the HHDC after a major timing issue correction was conducted by MOA. This meter is read by a hand held device.

4.3.2 Trend Analysis

Figure 8 – CDCC Comparison Chart

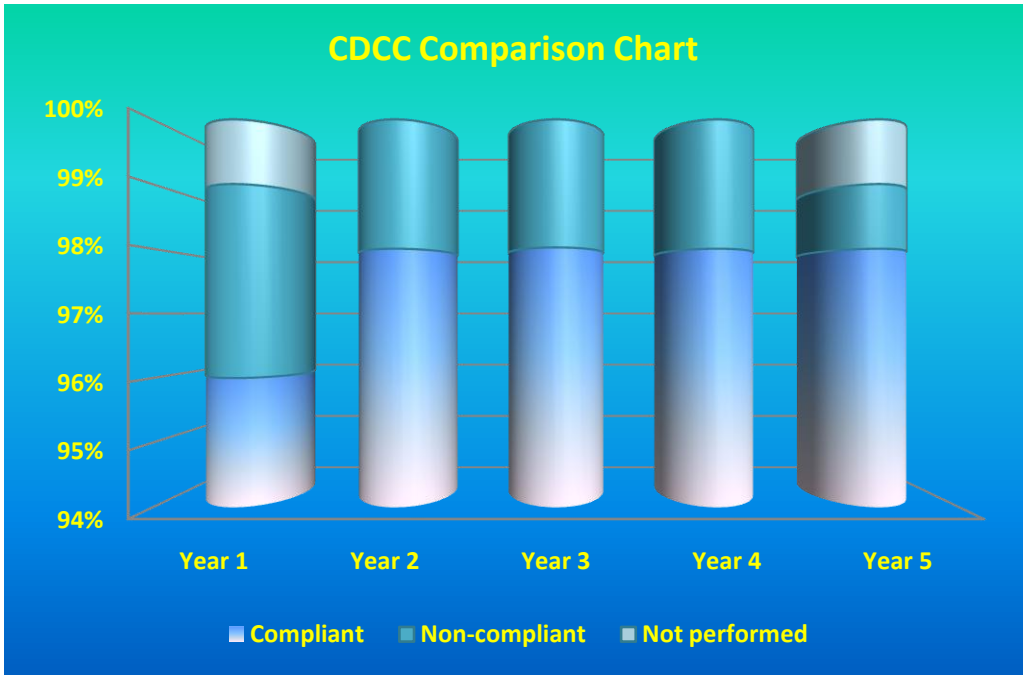


Figure 8 shows that compliance rates over the last 5 years have remained at 96% or above for the visits conducted.

4.3.3 Summary of Findings

A new requirement was placed upon Data Collectors in June 2010, requiring that they submit a rectification plan for all CDCC non-compliances. Since then we identified 13 non-compliances, of these over 50% remain outstanding.

Where the non-compliances *have* been rectified, evidence shows that:

- HHDCs had to submit estimated data for our data requests because of:
  - Communication faults
  - Building access difficulties, and

    - Participant changes.
- There were incorrect data entries in the TAAMT by the HHDC for our data requests.
- A registration change meant that data was unavailable at the time of the request.
- One MSID was disconnected – therefore no data.

A review of the CDCC non-compliances identified fails to determine any particular individual root cause.

5 Update on Previously Reported Issues

In this section we provide an update on previously reported TAA Issues.

5.1 *Pre-Audit Inspections*

The collaboration between ELEXON and C&C Group has resulted in instances of pre-audit work in the latter part of the audit year dropping to zero.

We have over this audit year reported to ELEXON on a monthly basis where we believe pre-audit activity was suspected. This confirmed that pre-audit visits were still taking place by some MOAs, depending upon the geographical location of Metering Equipment.

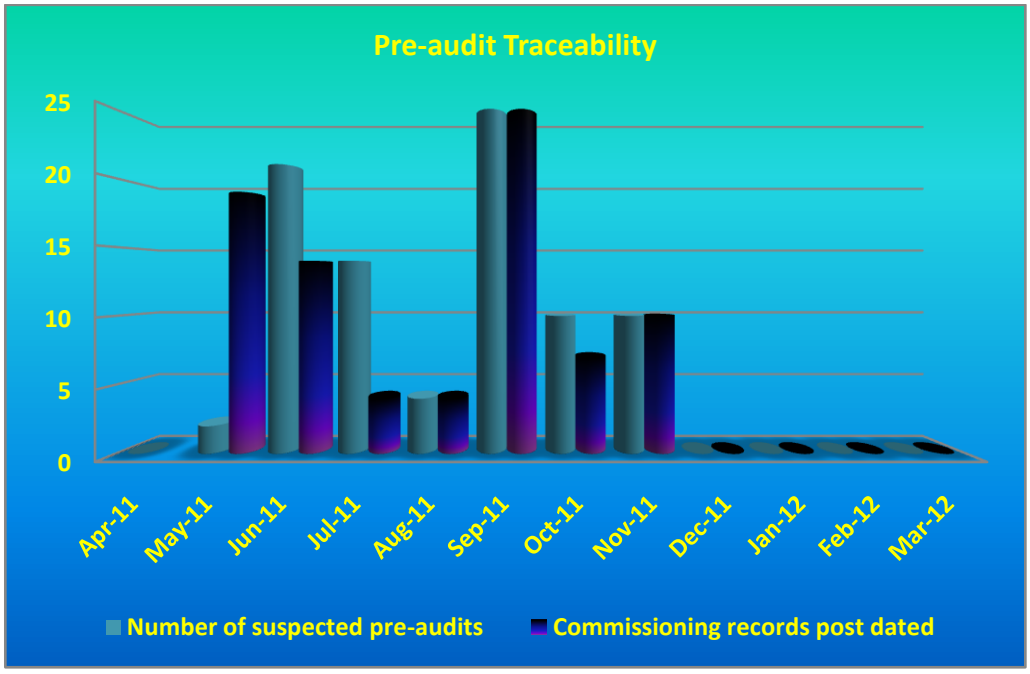
Pre-audit work provides the MOA with the opportunity to disguise the risk to Settlement by rectifying non-compliances prior to the formal TAA visit, which could include Category 1 non-compliances.

We believe Parties undertake pre-audit work once the MOA has been notified of a TAA inspection, in order to evaluate any non-compliance prior to the formal TAA Inspection.

We can report that for those sites where a pre-audit inspection was suspected, we generally are presented with commissioning documentation that was dated post the TAA inspection notification. This is a clear indicator that work to correct non-compliances has been performed.

Figure 9 details the evidence of pre-audit inspections recorded during the audit year, noting the ceasing of this activity from December 2011 onwards.

Figure 9 – Pre-audit Traceability



Our Recommendation

We have recommended to ELEXON that we continue to monitor visits for any indication of pre-audit work and report any exceptions we identify.

We fully support the current BSCP27 Change Proposal being raised by ELEXON to mandate that the MOA notifies the TAA of planned and emergency work taking place prior to the TAA inspection, giving a reason and a date for the activity.

5.2 *Commissioning Certificates*

There is evidence to suggest that there is an appetite for change within the industry relating to commissioning record non-compliances.

The TAMEG has raised concerns expressed by Suppliers, MOA and LDSOs in relation to the impact to Settlement due to inadequate commissioning. Through this forum, parties have had the opportunity to share difficulties experienced and, more importantly, examine what can be done to resolve this issue going forward.

ELEXON conducted a very successful workshop on the issues of the ability to commission a Metering System, the responsibilities for doing it and retaining all records of the Metering Equipment and the commissioning itself. The workshop provided strong feedback to ELEXON. ELEXON used this feedback and the support from the TAMEG to request the PAB to raise a Modification, which resulted in the development of Modification Proposal P283.

The possible improvements in developing a standardised commissioning process will only stand the test of time if the records are maintained and retained. ELEXON has instructed the TAA to inspect a Specific Sample of HHMS installed post 1 Jan 2008 in the audit year 2012-13. We can use this sample to see if there is any difference in the way that newly installed HHMS commissioning records are provided to the TAA versus aged HHMS.

5.3 *Measurement Transformer Certificates and Overall Accuracy*

We assisted ELEXON with an exercise instigated by the TAMEG, to review outstanding measurement transformer certificate related non-compliances against the NMTES and clearing any non-compliances where the appropriate measurement transformer information was held on the NMTES.

This work resulted in a number of non-compliances covering 164 inspections being resolved.

With the on-going development of the NMTES, industry participants are required to monitor any other outstanding non-compliance that may be resolved against the NMTES and proactively rectify them.

For every inspection, we will *always* attempt to view, where safely possible, all measurement transformer rating plates and only use the NMTES where valid site specific certificates are not available as part of the audit procedure.

5.4 *Outstation Clock Errors*

Figure 10 – Outstation Timing Error Years 3 to 5

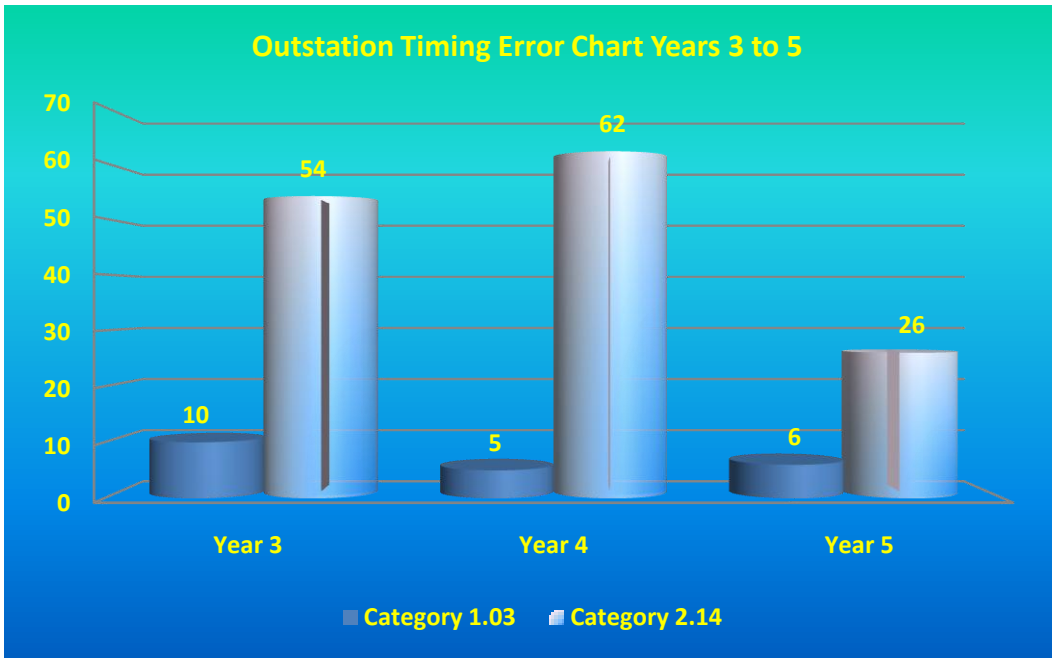


Figure 10 indicates that the incidence of minor clock timing failures has fallen in the last year.

Our Recommendation

We are currently unable to provide in depth analysis of these non-compliances, because we do not have enough information at this time.

A change to the rectification process would provide more data for us to be able to perform an accurate root cause analysis of this issue. We recommend that the HHDC as part of a timing correction submission provides the following additional information;

- An explanation of reason for the time drift
- A record of when the outstation clock time was last trimmed.

We could then analyse this additional information over the audit period to identify any potential trends and root causes and feed this into the PAB and the TAMEG to look at potential solutions.

6 Service Performance Statistics

6.1 *Cancellations*

On review of the audit year figures, we are satisfied that the cancellation process is not being used to off-set the numbers where Suppliers are unable to secure access. Furthermore, evidence shows that there is no particular market participant making excessive cancellation requests.

Figure 11 – SVA Cancellation & No Access Comparison

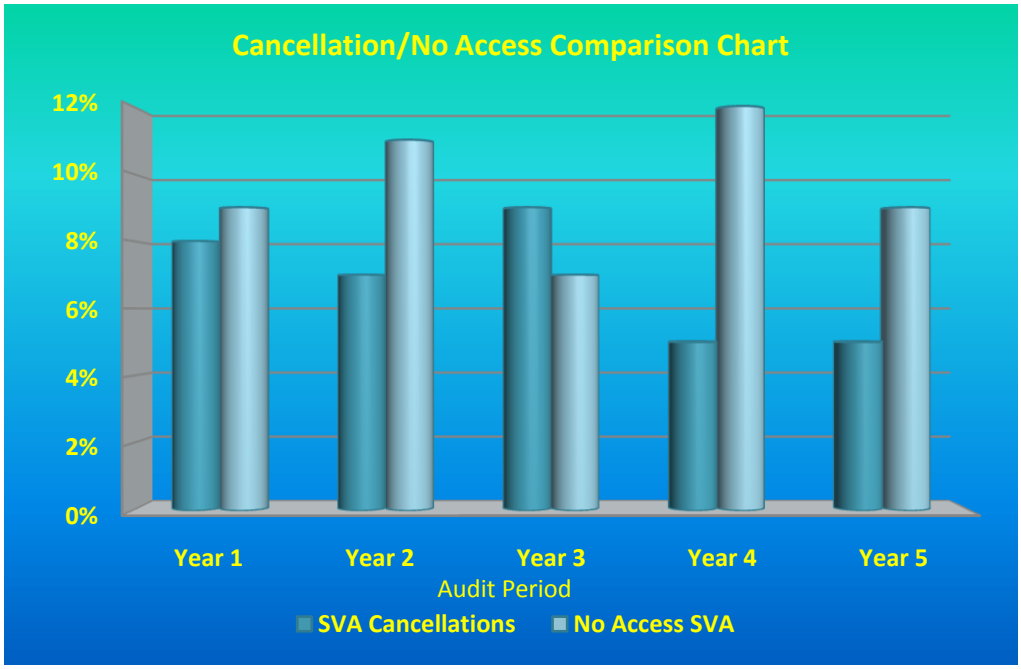
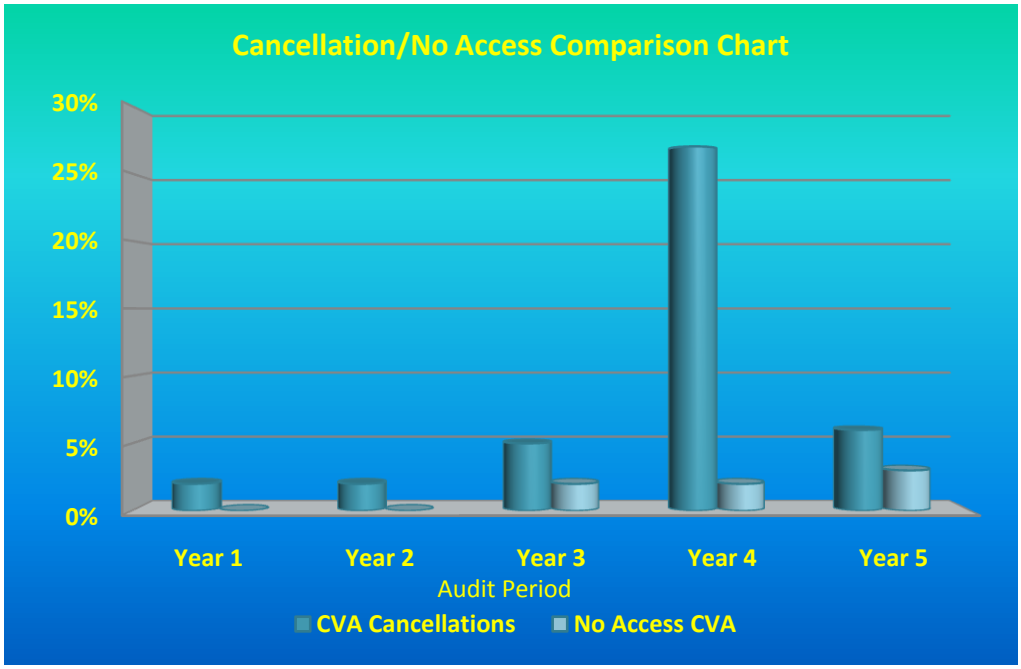


Figure 12 CVA Cancellation & No Access Comparison



There were 60 Supplier cancellations this audit year.

- 54 - SVA
- 6 - CVA

Approx. 5% of inspections - across both markets

The cancellations are the result of two main reasons:

- Change of participant occurring within the TAA operational window, and
- Suppliers being unable to secure access
    - Those inspections where the Supplier was unable to secure access were because;
        - The Metering System was not Half Hourly
        - The premises were vacant
        - The site was in dispute at time of planned visit, and
        - There was no availability of staff to provide access to the Metering Equipment

6.2 *No Access*

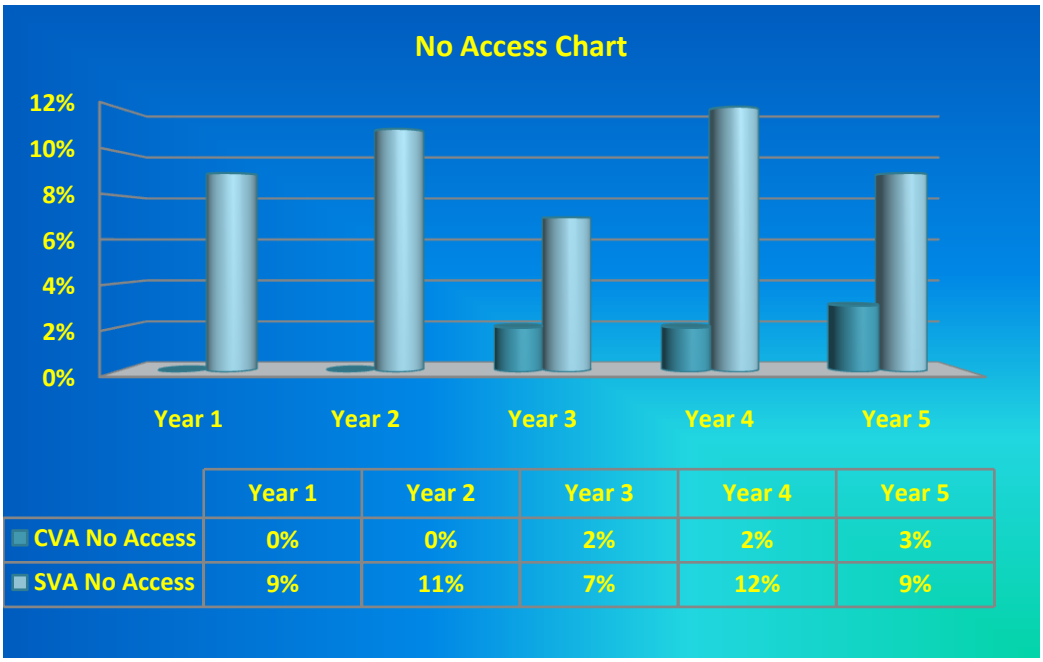
Efforts by Suppliers, MOAs, HHDCs and modified working arrangements implemented by ourselves (in conjunction with ELEXON), has resulted in an encouraging 3% drop in the SVA No Access rate of 12% reported in the previous audit year.

This encouraging achievement should not be seen as reaching our collective goal, but as a marker to be improved upon. The top four reasons why access could not be achieved are:

- Premises are closed/unoccupied and no-one available to provide access – 32%
- The customer was unable to provide access – 19%
  (generally the Meter is housed in a local substation and the customer is not an appointed key holder)
- The customer was unavailable to provide access – 19%
  (typically the customer is unaware of the inspection)
- The MOA was unable to secure access – 15%
  (a mixture of MOAs not holding valid access keys and being unable to locate the Meter)

What we have noted is a very slight increase in the CVA no access count observed over the last three years. This maybe just due to the increase in CVA visits in the sample. 2% of the CVA no access count for this year was attributed to the MOA not being equipped with appropriate keys. This appears to be down to poor preparation on behalf of the MOA prior to the inspection. We will continue to monitor access performance through the forthcoming year and highlight any issues to ELEXON.

Figure 12 – No Access per Audit Year



	Year 1	Year 2	Year 3	Year 4	Year 5
CVA No Access	0%	0%	2%	2%	3%
SVA No Access	9%	11%	7%	12%	9%

We have offered suggested solutions to try and improve access rates to the TAMEG.

ELEXON issued a Process Guide – Securing Access in August 2011, which was updated in April 2012. This has helped address some of the access issues identified this year and should hopefully improve No Access performance going forward.

6.3 *Rectifying Non-compliances*

6.3.1 Overall Summary of Performance

We have analysed the data recorded over the last 5 years and the result is not encouraging. Rates for those non-compliances yet to be rectified continue to follow a similar pattern year on year as indicated in Figure 14.

Category 1 failures indentified this year where site attendance by the MOA or LDSO is required have taken on average 48 days to resolve. When we take into account those non-compliances still outstanding, the average will undoubtedly increase to in excess of 100 days once rectified.

This year, we have introduced an aid in the reporting of Category 1 non-compliances. A proforma has been developed with ELEXON, which will be attached to each inspection where we have reported a Category 1 non-compliance. This will provide Suppliers with a clearer understanding of the non-compliances raised and also act as a guide to what action needs to be taken to rectify the non-compliance. It is hoped that this additional tool will improve rectification timescales.

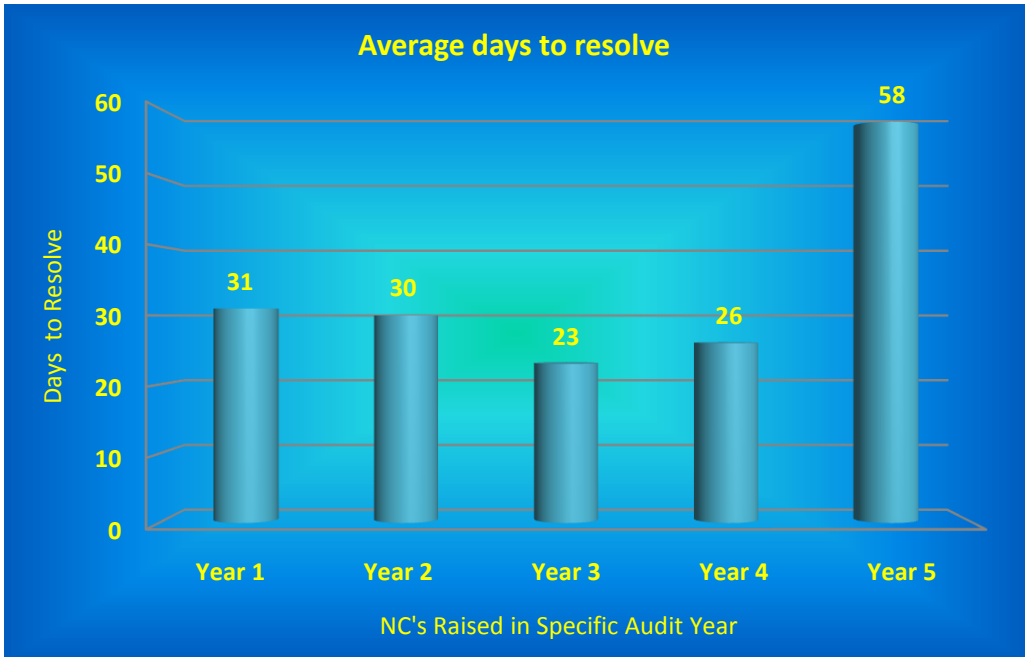
6.3.2 SVA Category 1 non-compliances

This year we identified 19 Category 1 non-compliances, 15 of which had been resolved at the time of preparation of this report. Table 21 of the Statistics Report lists those non-compliances we have judged to have a Settlement impact. The volume of material impact that could result from the non-compliance is expressed in MWh in accordance with ELEXON instruction.

The current status of the four Outstanding Non-compliances is as follows;

- D0268 mismatch with the HHMS x 2
  - Pending additional evidence from the HHDC
- Calculated results vs. recorded results are not within tolerance x 2
  - Awaiting further information to confirm site setup

Figure 13 – Average days to resolve Category 1 non-compliances



We can confirm that based on previous issued annual report findings the rate of rectifying Category 1 non-compliances has more than doubled this year compared with Year 4.

Figure 13 shows a year on year average rectification rate of 34 days per non-compliance. It should be noted that some non compliances recorded in this audit year have remained not rectified for over 150 days. We continue to work with the relevant participants and ELEXON with the aim to rectify these as soon as possible.

On a positive note we can report that all the outstanding Category 1 non-compliances raised in years 1 to 4 have been resolved or closed.

6.3.3 SVA Category 2 Non-compliances

Figure 14 – Total Category 2 non-compliances vs. outstanding non-compliances

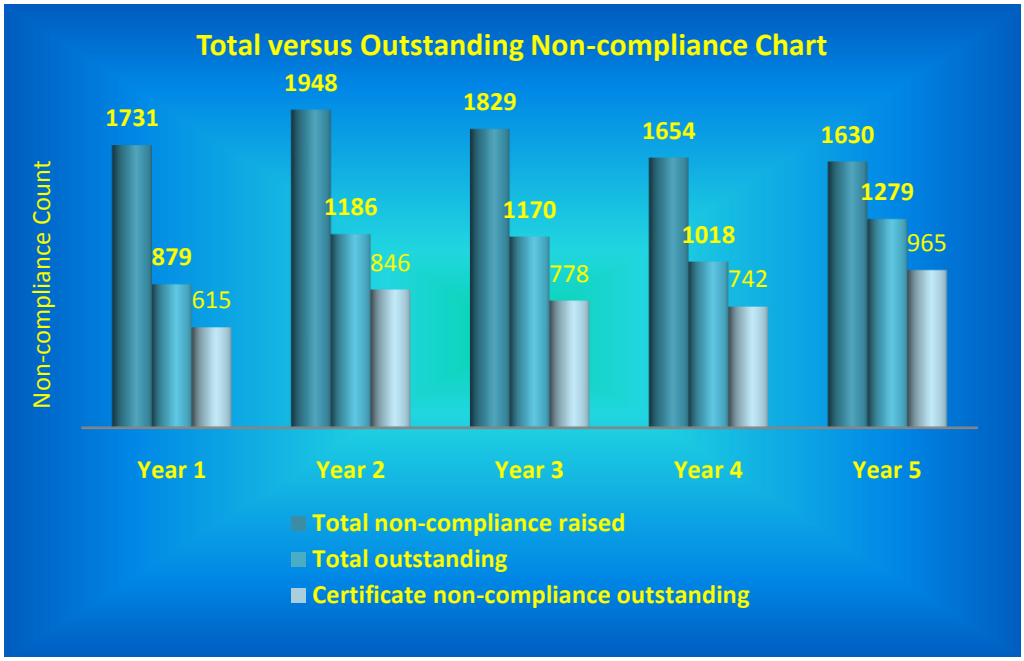


Figure 14 shows that although we have seen a decrease in the number of Category 2 non-compliances recorded, the overall percentage that remains outstanding is a cause for concern. As can be seen, those non-compliances in that relate to commissioning and Metering Equipment calibration make up the majority of outstanding non-compliances, reinforcing our concerns in relation to commissioning evidence and Metering Equipment calibration.

6.3.4 CVA Category 1 Non-compliances

We identified two non-compliances, both were issues found in the MTDs at the CDCA. Both have now been resolved, but it took on average 55 days for rectification.

The risk to Settlement was minimal as both failings were associated with check meters.

6.3.5 CVA Category 2 Non-compliances

This year we reported a total of 199 non-compliances. Disappointingly 93% of these non-compliances are still outstanding.

The most frequently recorded categories of non-compliance reflect those identified in the SVA market and carry the same issues.

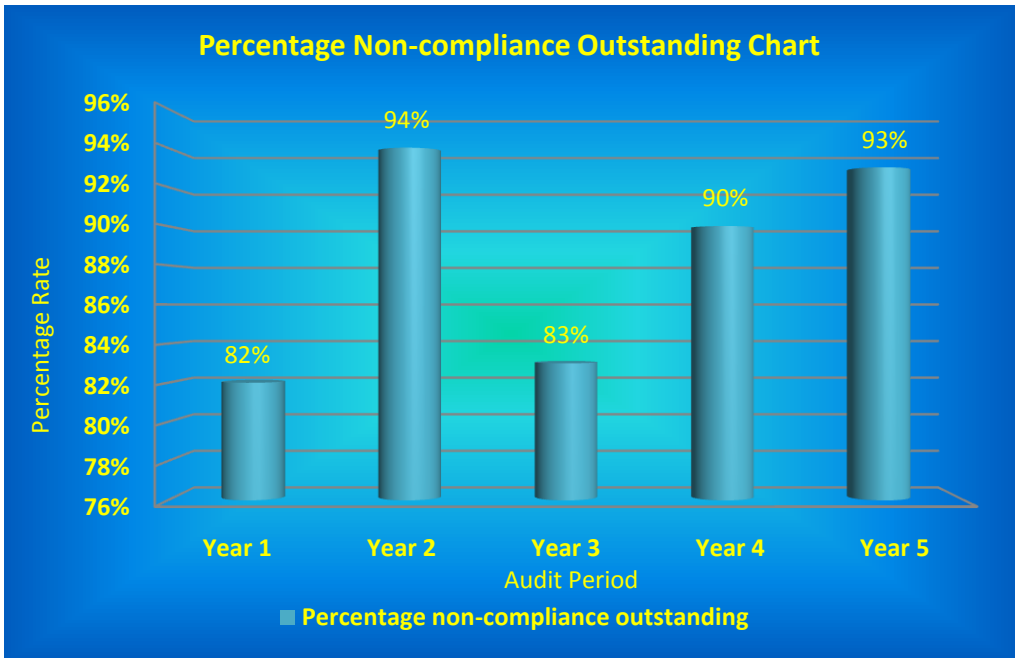
There are two other sub-categories that appear on a regular basis:

- MTD errors
- Metering Equipment sealing.

We recommend that industry considers a review of the sealing register for a potential format change. This could aid users to check seals have been

applied correctly. It is our intention to raise this issue via the TAMEG for further debate.

Figure 15 – Percentage of Category 2 non-compliances outstanding



6.4 *Queries and Appeals*

6.4.1 2011-2012 Statistics

We believe the fall in the number of queries raised is because the TAA stakeholders have a better understanding of the TAA procedure and requirement of the TAA audit process.

Table 1 – Queries Raised

Role Raiser	Query Upheld	Query Invalid	**Total**
Data Collector	0	0	**0**
Meter Operator Agent	3	26	**29**
Registrant	0	0	**0**
Totals	**3**	**26**	**29**

Table 1 details the number of queries logged by participants for this audit year. 90% were invalid and the relevant party was required to submit a rectification plan. Of those queries, more than 50% were incorrectly raised by one individual party because they submitted the required documents late (in accordance with BSCP27).

The 10% of queries that we upheld covered;

- Non-compliances should have been recorded as notes x 2
- Data entry error in the TAAMT by HHDC

We have used our Team Briefing facility to highlight and correct working procedures.

We can confirm that once again we have recorded no Appeals for this reporting period.

7 Overall Conclusions

The aim of the this audit report is to inform the reader not only of the issues identified and reported, but also to provide a view of how the market has changed over the previous audit years.

Our investigations suggest that Category 1 non-compliances relating to Metering Equipment error is showing little improvement year on year and could be affecting in the region of 1.5% of the total Half Hourly Metering population.

Conversely, we have noted a reduction with those Category 1 non-compliances for incorrect MTDs, which suggest some improvement by the MOA and HHDC in their back office processes, but we must also consider the reclassification of some Category 1 non-compliances to Category 2 in 2009 and 2010 as a significant contributing factor to this reduction.

We noted an increase in the time it takes to rectify Settlement affecting non-compliances for this audit year. We believe that rectification times would also be much longer had it not been for the collaborative efforts between the TAA and ELEXON chasing participants. The introduction of the new Category 1 proforma provides more information about the non-compliances. It also suggests rectifying actions. This should help to improve with rectification timescales, going forward.

Efforts by the Supplier and MOA have delivered an improvement on overall access rates and pre-audit work. We have confirmed that a reduction in access rates have not been offset by an increase of cancellation requests. We are hopeful that these access rates and levels of pre-audit work can be maintained and improved on with the introduction of the proposed change to BSCP27 regarding planned or emergency work.

In terms of CVA no access figures, it is difficult for us to identify any particular trend, because there are so few. We recommend that we should monitor the particular MOA that accounted for two thirds of all CVA no access due to not being equipped with the correct site access keys.

We are still seeing a high number of calibration certificate non-compliances year on year. Work via the TAMEG and ELEXON should provide better procedures for new sites going forward with the proposed Modification P283.

We acknowledge that there is work still to do for those historic non-compliances that remain outstanding and we will continue to work with ELEXON and the TAMEG to further enhance the NMTES process that should enable more of these types of non-compliances to be rectified.

In summary, we can report that the number of non-compliances being recorded is reducing year on year based upon the previous five years' findings and therefore the health of the HHMS market appears to be steadily improving.

With the industry Modification Proposal P283, we believe that this will have a further positive impact on the HHMS market and we should see a continued reduction in non-compliances, especially in the area of commissioning going forward.