

Implementation Date Delay

P272 Implementation Date Delay Report

ELEXON



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About This Document

This document presents the responses to the BSC Panel's consultation on delaying the approved Implementation Date for P272 and invites the Panel to determine whether to make a recommendation to the Authority. ELEXON will present this paper to the Panel at its meeting on 12 March 2015.

There are three parts to this document:

- This is the main document. It provides details of the background to P272 and related industry changes and summarises the views of respondents to the Consultation.
- Attachment A contains the full non-confidential responses received to the Implementation Date Consultation.
- Attachment B contains the response from Energy UK.

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Overview of P272

Since 6 April 2014, all Meters within Profile Classes (PCs) 5-8 must have an Advanced Meter capable of being read remotely and recording Half Hourly (HH) consumption. [P272 'Mandatory Half Hourly Settlement for Profile Classes 5-8'](#) mandates HH Settlement for all Metering Systems within PCs 5-8 from 1 April 2014 (where capable metering has been installed).

Key milestones

- Smartest Energy raised P272 on **20 May 2011**.
- At its meeting on **13 December 2012**, the Panel unanimously recommended to the Authority that both the P272 Proposed Modification and the P272 Alternative Modification should be rejected ([Panel 206/05](#)).
- The Authority issued a [Regulatory Impact Assessment for P272](#) on **29 October 2013**. As part of this, the Authority noted a minded-to position to approve the P272 Alternative Modification.
- On **6 February 2014**, the [Authority issued a direction to the Panel](#) to consult on a revised proposed Implementation Date for the P272 Alternative Modification. The Authority
 - notified the Panel that any revised Implementation Date for P272 should not be prior to 1 April 2016; and
 - recommended that the Panel conducted its consultation once there was clarity on the timetable for the [Distribution Connection and Use of System Agreement \(DCUSA\) Change Proposal \(DCP\) 179 'Amending the CDCM tariff structure'](#) (see Section 2).

The Panel accepted this recommendation at its meeting on **13 February 2014** ([Panel 221/04](#)).

- The results of the consultation were presented along with the Draft Modification Report for Approved Modification [P300 'Introduction of new Measurement Classes to support Half Hourly DCUSA Tariff Changes \(DCP179\)'](#) (see Section 2). The Panel recommended that the P272 Implementation Date should be 1 April 2016.
- The Authority approved the P272 Alternative Modification on **29 October 2014** for implementation on 1 April 2016.

Participant concerns with Implementation Date

RWE npower and Haven Power wrote to the Panel (30 January and 10 February 2015, respectively) identifying concerns with the implementation of P272 and considered the Implementation Date of 1 April 2016 should be delayed ([Panel 234/05](#)). At its February meeting, npower presented its concerns regarding the P272 Implementation Date. The Panel noted that npower believed an extension should be sought from the Authority from the current date of 1 April 2016.

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At the meeting, the Ofgem representative advised that Ofgem had not assessed npower's concerns about implementation. However, they advised that Ofgem stood by the [letter that it sent to the Panel in 2014](#) on this matter, namely that Ofgem considers that timely implementation of change is needed to enable consumers to realise the benefits of Advanced Meters and therefore a strong case for a delay to the implementation of P272 would need to be demonstrated. For a delay to be considered, Ofgem would need to see evidence of the materiality of these issues including the impact on customers as well as industry parties, whether they are resolvable in the existing timeframe, and how widespread such issues are (that is whether these are industry-wide problems or are they limited to a small number of Parties). As such, the Panel asked ELEXON to seek further information to enable it to consider whether to request that the Authority agree to delay the implementation of P272; and, if so, what revised P272 Implementation Date to request.

ELEXON issued the consultation on 17 February 2015 seeking views whether other participants shared the identified concerns, the materiality of the issues and whether they can be resolved. The consultation closed on 3 March 2015.

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2 Related Industry Changes

Some respondents noted concern over the volume of changes associated with P272 that they have yet to assess. To aid the Panel in its determination, this section sets out the related changes, including those consequential changes which have now been raised or that are expected.

DCP179

Approved DCP179 was raised by Electricity North West on 12 June 2013. DCP179 amends the existing tariff structure within the Common Distribution Use of System Charges Methodology (CDCM) by introducing HH metered tariffs for non-100kW Metering Systems. To enable this, will introduce new tariffs based on the receipt of HH aggregated data. DCP179 is due to be implemented on 1 April 2015.

P300

To facilitate DCP179, P300 splits existing Measurement Class E into three as follows:

- Measurement Class E will be renamed to reflect that it is intended for HH current transformer (CT) metered Metering Systems that have site specific Distribution Use of System (DUoS) billing and are not 100kW Metering Systems;
- Measurement Class F will be introduced and is intended for domestic HH CT and whole current (WC) Metering Systems that have aggregated DUoS billing and are not 100kW Metering Systems; and
- Measurement Class G will be introduced and is intended for non-domestic HH WC metered Metering Systems that have aggregated DUoS billing and are not 100kW Metering Systems.

P300 does not mandate Suppliers use these new Measurement Classes, nor does it mandate the migration to HH metering. P300 only facilitates the DCP179 changes by creating new Measurement Classes for aggregated DUoS billing.

P300 is due to be implemented on 5 November 2015 as part of the November 2015.

Issue 49 changes

The Profiling and Settlement Review Group (PSRG) asked ELEXON to raise an Issue to ensure that the complexity (real or perceived) of the change of Measurement Class (CoMC) process does not act as a barrier to elective HH Settlement. This is also relevant to the mandatory CoMC under P272.

Whilst the current Balancing and Settlement Code (BSC) Procedures (BSCPs) make some allowances for a CoMC with no change of Meter, the PSRG believed that they do not fully embrace the possibility that a CoMC can take place without the need for a site visit by the Meter Operator Agent (MOA).

ELEXON raised [Issue 49 'Change of Measurement Class \(CoMC\) process for Advanced Meters'](#) on 24 June 2013. The Issue Report was presented to the Panel on 13 February 2014 ([Panel 221/08](#)). The Issue is now closed and three Change Proposals (CPs) were raised.

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CP1409

The Issue 49 Group concluded that prior to the implementation of P272, it would be useful and of value for Parties to formalise the following:

- clarification on the appointment process options;
- introduce a requirement on the Half Hourly Meter Operator Agent (HHMOA) to include the time of the initial register reading sent to the Half Hourly Data Collector (HHDC) as well as the date;
- include an explicit reference to the transfer of commissioning details;
- clarify that a notification of removal of the Non Half Hour (NHH) Meter should be sent whether the Meter is physically removed or not; and
- remove the requirement in [BSCP504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS'](#) for NHHDCs to send the P0028 '100kW Demand Report' to the Panel.

To enact this, ELEXON raised [CP1409 'Change of Measurement Class process for advanced Meters'](#) on 13 March 2014. The Supplier Volume Allocation Group (SVG) approved CP1409 at its meeting on 3 June 2014 for implementation on 25 June 2015 as part of the June 2015 BSC Release ([SVG160/06](#)).

CP1410

The Issue 49 Group identified a problem relating to the transfer of the J1713 'Outstation Password Level 3' data item between the Non Half Hourly Meter Operator Agent (NHHMOA) and HHMOA on a NHH to HH CoMC. The Issue 49 Group concluded that NHHMOAs are understandably reluctant to lose control of the Meter too far ahead of their de-appointment date. Whereas, the Issue 49 Group believed, HHMOAs need to receive the D0313 'Auxiliary Meter Technical Details' data flow far enough in advance of their appointment date to be able to determine whether they can support the existing Meter, decide whether they need to carry out a site visit, and to arrange the site visit. The Issue Group concluded that this creates conflicting requirements from the NHHMOA and HHMOA, which can put the CoMC process at risk.

Consequently, ELEXON raised [CP1410 'Transfer of Outstation Level 3 Passwords for advanced Meters'](#) on 13 March 2014. It proposed a two-stage process for transferring the D0313 data flow, which would provide the HHMOA with the information needed in sufficient time to plan for the CoMC date, whilst allowing the NHHMOA not to surrender control of the Meter until their de-appointment date. However, the SVG rejected CP1410 at its meeting on 5 August 2014 ([SVG160/07](#)).

CP1411

The Issue 49 Group believed that there is a need to remove the exemption from Proving Tests for Code of Practice (CoP) 10 Metering Systems to ensure that these are mandatory for all HH Metering Systems. Consequently, ELEXON raised [CP1411 'Remove exemption from Proving Tests for Code of Practice 10 Metering Systems'](#) on 20 March 2014, which was approved by the SVG ([SVG160/08](#)) at its meeting on 3 June 2014 for implementation on 25 June 2015 as part of the June 2015 Release.

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Interactions between implementation approaches

The P272 Workgroup recommended a lead time for P272 of 13½ months from the point of Authority approval to allow sufficient time for Suppliers to transition their customers ahead of the P272 Implementation Date.

P272 can be implemented at any time, irrespective of DCP179, but without reflective DUoS tariffs, P272 would have had a detrimental impact on Suppliers and consumers. The DCP179 solution removes in part this barrier.

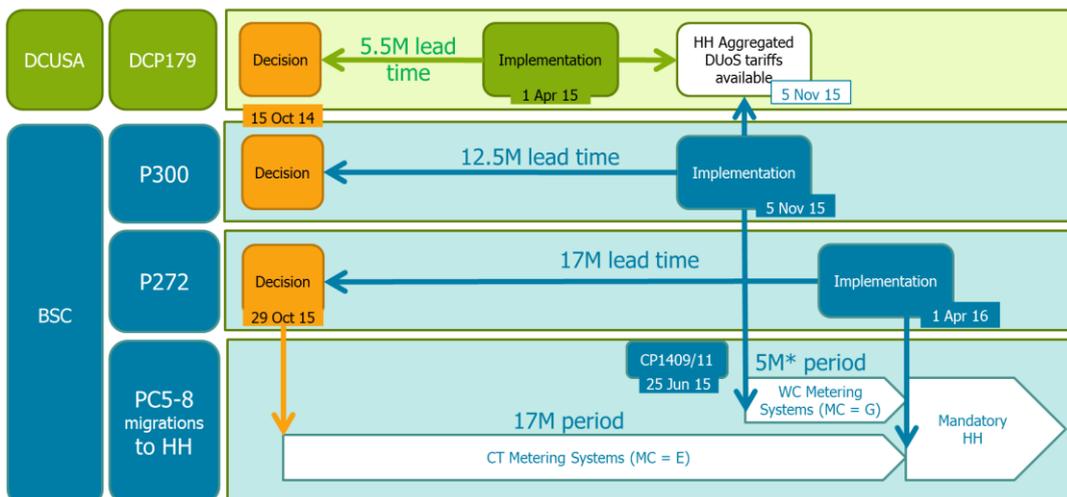
DCP179 can be implemented without P300. However, its benefits will not be fully realised until P300 is implemented and the new Measurement Classes are in place. Therefore, the barriers to the implementation of P272 would only be removed once both DCP179 and P300 have been implemented (5 November 2015).

It was considered that a period is required between the new tariffs being in place and the implementation of P272 to allow a suitable window for Suppliers to transition their customers against the new tariffs.

CP1409 and CP1411 come into effect in June 2015, with CP1409 addressing concerns with the CoMC process and CP1411 addressing potential risks to Settlement by requiring Proving Tests to be carried out on CoP10 Metering System on a CoMC.

The below diagram sets out the interactions and lead times based on the decisions made for each change and the change being implemented on the corresponding Implementation Date.

Diagram showing lead times & Implementation Date interactions



Note * 5M period results from time between P300 & P272 Implementation Dates

Consequential industry changes

ELEXON advised the Panel at its 29 October 2014, when it was considering the P272 Implementation Date and P300, that a number of consequential industry changes might be needed. These were identified by the P300 Workgroup or through the consultations on P272 or P300.

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CP1431

When considering the impacted Configurable Items, the P300 Workgroup did not consider the exemption set out in BSCP504 for Measurement Class E Metering Systems to not have to undergo site checks. As P300 in effect splits Measurement Class E into Measurement Classes E, F and G, it seems reasonable to extend the exemption to Measurement Classes F and G.

ELEXON raised [CP1431 'Extend Site Check Exemption to Measurement Classes F and G'](#) on 16 February 2015. CP1431 removes a potential unintended requirement introduced by P300. ELEXON will issue this for CP Consultation and the SVG will consider it at its meeting on 28 April 2015. It is targeted for implementation on 5 November 2015 to align with P300.

CP1432

The P300 Workgroup noted a response to the P300 Assessment Consultation that the default Estimated Annual Consumption (EAC) currently applied to HH Metering Systems is based on the assumption that these are 100kW Metering Systems. The respondent asked whether it be more appropriate to introduce different values for each Measurement Classes. The Workgroup felt that this was worth investigating as a consequential change and should be highlight to the SVG if P300 (and/or P272) was approved.

ELEXON raised [CP1432 'HH Default EAC by Measurement Class'](#) on 17 February 2015. ELEXON will issue this for CP Consultation and the SVG will consider it at its meeting on 28 April 2015. It is targeted for implementation on 5 November 2015 to align with P300.

CP1433

ELEXON raised [CP1433 'Clarification of which Metering Systems are captured by the P272 requirements'](#) on 17 February 2015. It proposes to clarify the Metering Systems that are captured by the mandate, specifically tying [BSCP516 'Allocation of Profile Classes & SSCs for Non-Half Hourly SVA Metering Systems Registered in SMRS'](#) to both the legal text for P272 and to the requirements for Advanced Meters for import fitted in accordance with the requirements of Standard Licence Condition (SLC) 12.17-12.22 of the Electricity Supply Licence.

ELEXON will issue this for CP Consultation and the SVG will consider it at its meeting on 28 April 2015. It is targeted for implementation on 25 June 2015.

CP1434

The P300 Workgroup noted the Impact Assessment responses with respects to potential issues with the size and format of the Line Loss Factor Class (LLFC) ID, which currently is a three digit numeric code (INT (3)). The Workgroup considered that this could potentially be amended to four or more numeric characters and/or use alphabetic characters, as there could be an issue with the increase in the number of LLFCs following implementation of P300. The Workgroup concluded that it wasn't necessary to make these changes as part of P300, but it wanted to consult on this under its Assessment Consultation.

A number of respondents to the Assessment Consultation identified that there would be an issue for them, and it has also been identified that a separate DCUSA CP will increase the number of LLFCs used, meaning that the maximum possible number of LLFCs could

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become an issue for some Licensed Distribution System Operators (LDSOs). The Workgroup therefore agreed that this should be flagged in its report and for ELEXON and ElectraLink to consider consequential changes.

SSEPD raised [CP1434 'Amend the three digit numeric Line Loss Factor Class \(LLFC\) Id to an Alphanumeric LLFC Id'](#) on 16 February 2015. ELEXON will issue this for CP Consultation and the SVG will consider it at its meeting on 28 April 2015. It is targeted for implementation on 1 April 2016 to align with DUoS charging and contract rounds, but also to enable industry to have nearly a year to make changes to their systems.

DTC Changes in support of P300

ELEXON has raised Data Transfer Catalogue (DTC) [CP 3453 'Changes to existing DTC flows to support new Measurement Classes under P300'](#) to align with the changes to data flows introduced by P300. Due to some further changes to the data flow a revised version will be brought back for decision at the March Master Registration Agreement (MRA) Development Board (MDB). This still will meet November implementation timescales.

The MDB had in addition raised [DTC CP 3454 'Changes to existing DTC flows to support new Measurement Classes under P300 for Testing'](#), a test version of operational data flow. This has since been approved by the MDB for testing using this data flow in June 2015.

CMP241

A respondent to the P300 Report Phase Consultation raised a concern that there will be an impact from Transmission Network Use of System (TNUoS) tariffs with the implementation of P272, which the respondent felt had not been considered. This was flagged to the Panel at the time of it considering the P272 Implementation Date and P300's Final Modification Report.

The impact of P272 on TNUoS charges was discussed at the January 2015 meeting of the Transmission Charging Methodology Forum (TCMF). Following this, ELEXON and National Grid met to discuss what steps could be done to resolve the impact on TNUoS, which consequently could impact the migration to HH under P272 as Suppliers try to avoid additional TNUoS charges.

Following these discussions, National Grid raised urgent Connection Use of System Code (CUSC) Modification [CMP241 'TNUoS Demand Charges during the Implementation of P272'](#) to address the issue. ELEXON has also committed to provide data to National Grid to facilitate CMP241.

Issue 59

The implementation of BSC Modifications P272 and P300 would introduce changes to the Performance Assurance Reporting and Monitoring System (PARMS) and Supplier Charges. Whilst the P272 and P300 Workgroups developed these changes, they recognised that further development would potentially be needed and should be considered by appropriate experts.

ELEXON raised [Issue 59 'Consideration of the PARMS and Supplier Charge changes introduced by P272 and P300'](#) to consider the consequential changes to PARMS and Supplier Charges that will be introduced by P272 and P300.

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The Issue 59 Group concluded that no change should be made to PARMS and Supplier Charges as a result of the approval of P300, subject to another review in 2017.

The Issue 59 Group also concluded that a new Committee report should be created to report non-compliances under the P272 requirements, with no Supplier Charges associated to it. This Committee report should replace the PARMS reporting requirements introduced by P272. Therefore, it concluded that a BSC Modification should be raised to back-out the PARMS reporting requirements of P272 from the BSC.

A BSC Party has indicated that it intends to raise this Modification. ELEXON expects that this will be submitted in time for the April 2015 Panel meeting. The changes introduced by such a Modification, if in line with the Issue 59 Group's recommendation, will reduce the amount of system changes required by P272.

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3 Consultation Responses

We received 22 responses to the Panel's Implementation Delay Consultation. These consisted responses from:

- four 'independent' Supplier Agents;
- four LDSOs;
- one Independent Distribution Network Operator (IDNO);
- all of the 'Big 6'; and
- seven other Suppliers.

This section summarises the responses received, and you can find the full non-confidential responses in Attachment A. A confidential version that includes a response that the respondent was happy to share with the Panel has been provided to the Panel. Another confidential version including all confidential responses that could not be shared with the Panel has been provided to the Authority.

We also received a response from Energy UK. This has not been included in the table below or summary of responses. This is provided in Attachment B.

Summary of P272 Implementation Date Consultation Responses				
Question	Yes	No	Neutral/ N/A	Other
Can you implement P272 by the Implementation Date of 1 April 2016?	12	8	0	2
Do you share the concerns identified by industry participants in relation to the P272 Implementation Date of 1 April 2016?	17	5	0	0
If you have concerns, is it possible to resolve the issues in order to achieve implementation of P272 by the Implementation Date of 1 April 2016?	7	9	5	1
Do you believe the P272 Implementation Date should be delayed?	11	11	0	0
Do you have any further comments?	11	11	0	0

Views on whether participants could implement P272 by 1 April 2016

All four of the 'independent' Supplier Agents and all four LDSOs indicated that they would be able to implement P272 for 1 April 2016. One agent noted the extended consultation process, which allowed it to be aware of the requirements on it. Another noted that this was dependent on seeing Supplier migration plans by the end of May 2015.

The IDNO respondent indicated that the number of LLFC IDs available to it will be an issue, which, whilst it is linked to P300, it is P272 that is the driver that will cause them

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problem. Whilst this issue would be addressed by CP1434, it believes that this will not come in time to resolve its issue.

Four of the 'Big 6' indicated 'no' to this question and two 'other'. Some indicated that it was possible to meet the Implementation Date, but were pessimistic about resolving all of the issues in time, or at least were concerned with the customer experience as a consequence of implementing P272 on 1 April 2016. One indicated a concern over the impact on the accuracy of Settlement. Another indicated that its main NHH agent was undergoing HH Qualification, which would have an impact on timescales.

Seven other Suppliers responded, with four indicating that it was achievable for them to implement by 1 April 2016 and three believing they would not be able to. Of those that thought it couldn't be achieved, one indicated that a lack of HH expertise in new Supplier entrants to the HH sector would be a hindrance. Another also indicated that it was concerned with the risk to Settlement. Of those indicating that it was achievable, one indicated that this was dependent on no significant increases in appointments and seeing agent plans in time; it also called for certainty to be established soon. Another indicated it was achievable for it, but was concerned with the customer experience.

Views on the concerns raised

Most respondents agreed with the concerns raised on the P272 Implementation Date to a degree or completely. Some respondents noted other concerns, which included:

- Supplier Agents concerned that this was a Supplier driven migration;
- Suppliers concerned over agent resource;
- change of Supplier impacts on migration have not been considered and the impact as the gaining Supplier;
- impact on accuracy of Settlement and risks to Settlement;
- lack of HH knowledge for Suppliers and agents previously only operating in the NHH market;
- missing data around the type of Metering Equipment (CT/WC);
- rate of achievable conversion from NHH to HH; and
- concerns with the CoMC process.

Only five of the 22 respondents didn't share the concerns set out in the npower and Haven letters to the Panel. Two of these were Supplier Agents and two were LDSOs and the other a Supplier.

Some respondents argued against some of the concerns, believing them resolvable. These were notably around:

- the TNUoS issue, which some respondents noted being addressed by CMP241;
- the Maximum Import Capacity issue, with some noted that the Distribution Charging Methodology Forum (DCMF) Methodology Issue Group (MIG) is discussing and looking to address this issue; and
- the volume of changes impacting on third party system developers as well as participant resourcing, with one respondent noting that the volume of change is

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always high and will continue to be high, therefore it is actually a driver not to delay so as not to cause further problems at a later date – this view was also raised by another respondent under the further information question.

Two respondents indicated that there has been sufficient time since the Supply Licence changes and since P272 was raised and progressed for industry to resolve the issues identified. Another noted the DCP179 and P300 had considered some of the issues. It was also suggested that those that were unable to meet the Implementation Date should seek a licence derogation.

Views on resolving the concerns in time to achieve the Implementation Date

Overall, most thought that resolution was achievable, potentially achievable or didn't have concerns that needed to be resolved.

The two agents and two LDSOs that shared the concerns believe that resolution was achievable. One LDSO that didn't share the concerns thought that the issues were resolvable in the time. The IDNO respondent didn't think its concern regarding the number of LLFC IDs was resolvable in the timescales, despite CP1434.

One of the 'Big 6' respondents thought it was potentially possible to resolve the concerns, with the others believing that these weren't resolvable in the timeframe. The seven other Suppliers were split, with three thinking that these issues weren't resolvable in the timeframe.

Those that believe that the concerns are resolvable again point to CMP241 and DCMF MIG activities to address two of the main concerns.

One suggested that delaying [DCP161 'Excess Capacity Charge'](#), which also comes in to effect in April 2016, or at least providing different arrangements for Metering Systems impacted by P272 was needed, as this change could impact on the resolution of the Maximum Import Capacity issue in a timely manner.

Suppliers with concerns highlighted the impacts P272 will have on the customer, which included issues around contractual arrangements and the impact the migration will have on customers' experience. Suppliers also noted concerns around the lack of sufficient resourcing or unknowns, like agent plans.

Views on delaying the Implementation Date

Half of the 22 respondents believed that there should be a delay to the Implementation Date, with varying views on what that date should be or how this should be achieved.

Only one of the four 'independent' agents thought that a delay was necessary. None of the LDSOs believed P272 should be delayed. The IDNO respondent believed that there should be a delay, but only for three months following the implementation of an approved CP1434, which is targeted for 1 April 2016.

All of the 'Big 6' recommended a delay, with three of the seven other Suppliers believing there should be a delay and four believing that no delay was required.

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The table below sets out the views of 12 of the 22 respondents that indicated a preference should P272 be delayed. This included one respondent that didn't think it should be delayed, but indicated a preference should it be delayed.

Summary of P272 Implementation Date Consultation Responses	
Question	If P272 was delayed, what date should it be delayed to? (12 out of 22)
+3 mo. (01-Jul-16)	1
+6 mo. (01-Oct-16)	1
+12 mo. (01-Apr-17)	5
+12 to +18 mo. (01-Apr to 01-Oct-17)	2
+18 mo. (01-Oct-17)	2
+ 36 mo. (01-Apr-19)	1

Some respondents thought that there needed to be a link with the customer contracts, allowing migration to happen in stages as contracts are renewed or gained.

One respondent, who believed that there shouldn't be a delay, thought that there needed to be consideration of issues if the Implementation Date isn't achieved for some sites. The respondent believed that if a Supplier wasn't able to migrate a customer due to contract issue and awaiting renewal or where the Maximum Import Capacity issue hasn't been resolved for that customer, then the Supplier shouldn't be penalised for the non-compliance.

The agent that agreed with a delay noted that April and September dates are problematic due to significant numbers of contracts being renewed or changes between Suppliers.

The respondent that disagreed with delaying but responded with a preference should it be delayed thought that it should be only delayed to 1 October 2016 at most.

Further comments

One respondent thought it wasn't appropriate for the Panel to challenge the Implementation Date approved by the Authority and believed that this risks confusion and uncertainty around participant migration planning. The respondent queried whether any delay to P272's implementation would meet with its objective under [BSC Section B1.2.1\(a\)](#), which sets out the Panel's objective "that the Code is given effect fully and promptly and in accordance with its terms".

A respondent noted that the different approaches to implementation by different Suppliers and agents, along with customer interactions, would inevitably result in issues and peaks, which will occur whenever the Implementation Date happens to be.

Another respondent noted that DCP179 (supported by P300) with P272 would mean that approximately half of Metering Systems that migrate to HH will incur Maximum Import Capacity and Reactive Power charges. The respondent felt that the implementation of

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P272 should be such that Suppliers are incentivised to migrate, which it believes would be delivered through alignment with customer contract changes.

It has been suggested that further process improvements are needed before undertaking such a significant migration to address associated risks.

A agent respondent believed that the migration would be more achievable if CP1411 was delayed, or at least not applied to the P272 migration. It noted that due to this, it would need to employ temporary staff to manage the workload, which is not without risk.

Energy UK response

Energy UK's response highlights many of the concerns raised by Suppliers. It suggests that a delay would enable a more flexible approach to implementation, with quicker implementation for some that are able to. It believes that this would benefit customers. It has suggested that if a delay were made, then there would be a need for a "robust, transparent and deliverable mitigation plan in line with the transition plans being outlined to the Performance Assurance Board (PAB)". It notes that a delay would provide an opportunity to address the cross Code issues. It has suggested that Ofgem facilitate a cross Code meeting to address concerns and consider transition approaches that would benefit customers and industry.

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ELEXON's implementation activities have included:

- requesting of migration plans;
- creating a specific webpage of P272 and related changes;
- development of a frequently asked questions document; and
- responding to queries.

ELEXON has been involved in raising consequential changes or engaging with other Code Administrators, details of which are referenced in Section 2.

An update on these activities was provided to the PAB as a confidential paper (PAB169/07 'P272 implementation update'). The PAB has agreed to release the paper. However, this is subject to approval from National Grid due to references to CMP241, which needs to be cleared with it first.

Migration plans

The P272 Workgroup recommended it would be left to individual Suppliers to choose how they implement the new requirement prior to the Implementation Date. However, Suppliers would be required to submit a high level transition plan to the PAB three months after the approval cut-off date of the Modification. This was to allow the PAB to make Suppliers aware of any potential timetable clashes where a bulk CoMC might take place. No provisions were added under the BSC to mandate these plans, but Suppliers were nonetheless requested to submit the plans.

ELEXON prepared the plan templates. In October 2014, the PAB decided to extend the request for plans to Distributors and Party Agents, and therefore bespoke templates were created for each role. The templates were issued for consultation in November 2014 and requests for actual plans were sent to all Suppliers, Data Collectors, MOAs and LDSOs in January 2015 via ELEXON's Newscasts and through Operational Support Managers (OSMs). ELEXON requested receipt of the plans by the deadline agreed with the PAB of 27 February 2015. A number of participants contacted ELEXON to explain that they would submit an initial plan, but provide an updated plan later in 2015 once further analysis had been carried out.

The plans submitted to the PAB are confidential and cannot be shared with the Panel without the express agreement of the submitting participants. However, these can be shared with Ofgem as it has a seat on the PAB.

The plans will be shared with the PAB at its next meeting, on 26 March 2015.

Website

As part of industry communication, we created a [webpage](#) on the ELEXON website dedicated specifically to P272 (and associated changes, such as P300, DCP179 and Issue 59).

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Frequently Asked Questions

Following the decision from the Authority, ELEXON began receiving a number of queries relating to P272 and P300. To deal with them more efficiently, we created a 'Frequently Asked Questions' document. This is updated monthly to reflect any additional queries received from the industry, information received from Ofgem or progress of any on-going discussions.

Other queries

Commissioning

An MOA has contacted ELEXON to notify us that they do not carry out Commissioning for their WC Meters. This is an issue for existing NHH Metering Systems and would impact those WC Meters in PCs 5 to 8 which will move to being HH settled. The current issue is that large volumes of Meters have not been commissioned in accordance with CoP4 and will remain so once migrated to HH. The MOA indicated to ELEXON that this practice is not limited to them and may be common across the industry. ELEXON has looked into the issue but it is difficult to assess the severity of it until the Meters are transferred to HH Settlement and a new HHMOA receives the commissioning certificates from the previous NHHMOA.

Protocol approval

An MOA raised concerns that there may be potential for HHDCs to pick up Meters as a result of P272 which do not have approved protocols in place. ELEXON has investigated this based on the number of approved CoP10 Meters and the list of Qualified HHDCs. Given that HHDCs may not be aware of the Meter types that are to be migrated to them, ELEXON will be advising all HHDCs to consider what approvals may be necessary for the roll out of P272. ELEXON has issued an article in [Newscast on 16 February 2015](#) notifying the industry of the potential issue.

Proving tests

A small Supplier has also contacted ELEXON regarding the requirements for proving tests following a CoMC to HH Settlement. The Supplier is concerned that with the number of Meters in PCs 5-8 that will be migrating, the timescales to complete proving tests would be unfeasible, leaving Suppliers non-compliant with the BSC requirements. In January 2015, the PAB discussed this issue and noted that the SVG may have overlooked the implications when approving this requirement as part of CP1411. ELEXON has followed up on this and noted that the SVG did consider the impact of proving tests on the industry and therefore there is no possibility to revisit the Implementation Date of CP1411.

ELEXON believes that proving test requirements should not pose a big risk as they can be performed remotely. However, Meter reconfiguration from NHH to HH might prove challenging if there are issues with communication lines to the Meter. While the process is relatively straightforward and should take between three to 10 minutes, Advanced Meters may have issues with communication lines, which would require a site visit to address. However, it is not possible to assess the probability of this happening. To mitigate the potential risk, ELEXON, via its OSM function, will suggest that Suppliers have conversations with their MOAs on how comfortable they are with their abilities to meet any additional demands caused by Meter reconfigurations.

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Data estimation query

At the January 2015 PAB meeting, ELEXON noted a concern raised by a Supplier Agent that, on the first day following a migration from NHH to HH, a Meter may not be settled on actual reads and estimates would be used. This could possibly impact Supplier performance and Supplier Charges. Analysis was provided to the PAB at its February 2015 meeting.

The analysis looked into a one sample day, 11 January 2015, at the Initial Settlement (SF) Run to create a best and worst case scenario. ELEXON's analysis showed that in the worst-case scenario, performance drops to 85.36%, with associated uncapped Supplier Charges of £9,049.92. The best case scenario sees performance at 98.49%, with associated uncapped Supplier Charges of £295.72. There are some notable limitations to these estimations and a number of assumptions used in calculating these figures.

This issue is not specific to the 1 April 2016 Implementation Date.

Consequential change query

A Supplier has queried whether a change is required to the Electricity Central Online Enquire Service (ECOES), as it believed Suppliers would not be able to obtain details of new customer's Measurement Class on ECOES. Currently, Suppliers cannot obtain the Measurement Class information from ECOES when they gain a new customer. The PAB agreed with ELEXON that it didn't see the need for a change to ECOES.

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We do not believe that it should provide a recommendation on whether P272 should be delayed. However, it is able to highlight what steps are being taken to address some of the concerns raised, which it hopes will help the Panel in its determination.

In addition, to help the Panel, it is reasonable for ELEXON to point out what issues were already known and what are new since the time of the Panel recommendation on 11 September 2014 and the Authority decision to approve P272 on 29 October 2014.

TNUoS issue

As already mentioned, this was identified under P300 and the issue highlighted to the Panel. The issue is an existing issue but due to the small numbers that currently migrate from NHH to HH, this can be managed by the Supplier to avoid the additional TNUoS charges.

Irrespective of when P272 goes live, this issue, if not resolved, could impact on the migration to HH under P272 or impact on Suppliers and customers.

ELEXON and National Grid have been working together to explore ways of resolving this, which has resulted in ELEXON committing to providing data to National Grid as part of CMP241.

ELEXON believes that this issue will be resolved in time to prevent any impact on the P272 migration.

Distribution Charging Issues

This concern around Maximum Import Capacity is a new issue as far as ELEXON is aware. However, we're aware that this issue is being considered by the DCMF MIG and believe that resolution is achievable. We note the responses that indicate that this is achievable, though note that this is also challenging.

Consequential changes

A number of further changes or potential changes were identified under the P272 Implementation Date and P300 Draft Modification Report presentations and have been highlighted to the industry since October 2014.

With the exception of CP1434, we do not believe that these will introduce any significant changes for industry. Instead, we believe that these will assist with implementation of P272 and P300.

With regard to CP1434, we recognise that this is a significant change. However, it is required to address issues for IDNOs and any LDSOs that operate out of area. We note the one IDNO's response with regard to the LLFC ID issue but believe that this may be an issue specific to them in regard to P272. To determine if this is the case, we intend to engage specifically with all IDNOs to understand if the issue is shared, which will be done under the consultation on CP1434.

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A Modification to back out PARMS and Supplier Charge requirements being introduced by P272 hasn't been raised yet. However, should it be raised and approved, it would actually mean that participants wouldn't need to make certain changes under P272.

Customer contracts

This was the focus of most of the comments from the P272 Implementation Date consultation suggesting a longer period or transitional period for implementation. Comments were also provided under the P300 consultations on this issue. As such, this is not new.

We agree with the views that the requirements to install Advanced Meters and the Authority's minded-to view in its statement to request a new Implementation Date has provided the industry sufficient time to engage with customers and ensure sufficient terms and conditions are set out in any contracts to enable the migration.

Level of change and impacts of system development resources

The level of change in the industry has been raised previously as a concern, though the specific issue around [Project NEXUS](#) has not. However, we agree with the comments made in regard to not delaying P272 due to the level of change. We would be concerned that if this is delayed, as under the same arguments it could impact and potentially delay other changes.

The industry has dealt with significant levels of change before. As Advanced Meter requirements and P272 have been known about for many years, we would want to understand why industry hasn't sought to ensure that there is sufficient resource in place.

Potential for delaying CP1411

The SVG has already considered the perceived issues introduced by CP1411. It approved CP1411 with P272 in mind, as with members commenting "that it would be too big a risk not to approve the change if the number of Meters will be in the hundreds of thousands."

At its February 2015 meeting, the SVG considered the concerns of some MOAs. The Panel nor the PAB can grant a derogation against the requirement and the SVG cannot change the Implementation Date as its decisions are final and binding. The SVG concluded that if a Supplier believed that the issue needed to be addressed, then it could raise a CP to propose the extension of the timescales. It noted that Proving Tests can be done remotely, so do not require a site visit in most cases.

Lack of HH expertise for new entrants

Concerns around a lack of expertise for new entrants or those that recently Qualify in a HH role hasn't been raised before. However, ELEXON offers participants training on various aspects of the BSC, and can support participants in gaining this knowledge.

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6 Recommendations

We invite you to:

- **NOTE** the responses to the P272 Implementation Delay Consultation; and
- **DETERMINE** whether to recommend a delay to the P272 Implementation Date.

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Appendix 1: Glossary & References

Acronyms

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

Glossary of Defined Terms	
Acronym	Definition
BSC	Balancing and Settlement Code (<i>industry Code</i>)
BSCP	BSC Procedure (<i>Code Subsidiary Document</i>)
CDCM	Common Distribution Charging Methodology
CoMC	Change of Measurement Class
CoP	Code of Practice (<i>Code Subsidiary Document</i>)
CP	Change Procedure
CT	Current Transformer
CUSC	Connection Use of System Code (<i>industry Code</i>)
DCC	Data and Communications Company
DCMF	Distribution Charging Methodology Forum
EAC	Estimated Annual Consumption
MDB	MRA Development Board (<i>industry committee</i>)
MIG	Methodology Issues Group
MRA	Master Registration Agreement (<i>industry Code</i>)
DCP	DCUSA Change Proposal
DCUSA	Distribution Connection and Use of System Agreement (<i>industry Code</i>)
DTC	Data Transfer Catalogue (<i>industry configurable item</i>)
DUoS	Distribution Use of System
HH	Half Hourly
HHDC	Half Hourly Data Collector (<i>Party Agent</i>)
HHMOA	Half Hourly Meter Operator Agent (<i>Party Agent</i>)
IDNO	Independent Distribution Network Operator
LDSO	Licensed Distribution Systems Operator
LLFC	Line Loss Factor Class
MOA	Meter Operator Agent
NHH	Non Half Hour
NHHMOA	Non Half Hourly Meter Operator (<i>Party Agent</i>)
PAB	Performance Assurance Board (<i>Panel Committee</i>)
PARMS	Performance Assurance Report and Monitoring System
PC	Profile Class
PSRG	Profiling and Settlement Review Group

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Glossary of Defined Terms	
Acronym	Definition
SVG	Supplier Volume Allocation Group
TCMF	Transmission Charging Methodology Forum
TNUoS	Transmission Network Use of System
WC	Whole Current

DTC data flows and data items

DTC data flows and data items referenced in this document are listed in the table below.

DTC Data Flows and Data Items	
Number	Name
D0313	Auxiliary Meter Technical Details
J1713	Outstation Password Level 3
P0028	100kW Demand Report

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	P272 page on the ELEXON website	http://www.elexon.co.uk/mod-proposal/p272-mandatory-half-hourly-settlement-for-profile-classes-5-8/
2	Panel 206 page on the ELEXON website	http://www.elexon.co.uk/meeting/bsc-panel-206/
2, 3	Authority direction to the Panel	https://www.elexon.co.uk/mod-proposal/p272-mandatory-half-hourly-settlement-for-profile-classes-5-8/
2	P272 Regulatory Impact Assessment page on the Ofgem website	https://www.ofgem.gov.uk/publications-and-updates/balancing-and-settlement-code-bsc-p272-mandatory-half-hourly-settlement-profile-classes-5-8-%E2%80%93-draft-impact-assessment-consultation
2	DCP179 page on the DCUSA website	http://www.dcusa.co.uk/Public/CP.aspx?id=201
2, 4	Panel 221 page on the ELEXON website	http://www.elexon.co.uk/meeting/bsc-panel-221/
2	P300 page on the ELEXON website	http://www.elexon.co.uk/mod-proposal/p300/

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4	Issue 49 page on the ELEXON website	https://www.elexon.co.uk/smg-issue/issue-49-change-of-measurement-class-comc-process-for-advanced-meters/
5, 7	BSCP page on the ELEXON website	https://www.elexon.co.uk/bsc-related-documents/related-documents/bscps/5/?show=10&type=class
5	CP1409 page on the ELEXON website	https://www.elexon.co.uk/change-proposal/cp1409/
5	CP1410 page on the ELEXON website	https://www.elexon.co.uk/change-proposal/cp1410/
5	CP1411 page on the ELEXON website	https://www.elexon.co.uk/change-proposal/cp1411/
5	SVG160 page on the ELEXON website	https://www.elexon.co.uk/meeting/svg-160/
7	CP1431 page on the ELEXON website	https://www.elexon.co.uk/change-proposal/cp1431/
7	CP1432 page on the ELEXON website	https://www.elexon.co.uk/change-proposal/cp1432/
7	CP1433 page on the ELEXON website	https://www.elexon.co.uk/change-proposal/cp1433/
8	CP1434 page on the ELEXON website	https://www.elexon.co.uk/change-proposal/cp1434/
8	MRASCo change page	http://www.mrasco.com/change-proposals
8	CMP241 page on the National Grid website	http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Panel-information/Meetings/2013/171-Friday-27-February-2015/
8	Issue 59 page on the ELEXON website	https://www.elexon.co.uk/smg-issue/issue-59-consideration-parms-supplier-charge-changes-introduced-p272-p300/
12	DCUSA website	http://www.dcusa.co.uk/SitePages/Home.aspx
13	BSC Sections on the ELEXON website	https://www.elexon.co.uk/bsc-related-documents/balancing-settlement-code/bsc-sections/
15	P272 information page on the ELEXON website	https://www.elexon.co.uk/p272-mandatory-half-hourly-settlement-profile-classes-5-8/

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External Links		
Page(s)	Description	URL
16	ELEXON Newscast page on the ELEXON website	https://www.elexon.co.uk/news-events/newscasts/
19	Project NEXUS page on the Joint Office of Gas Transporters website	http://www.gasgovernance.co.uk/nexus

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