Panel consideration of request to delay implementation of P272 'Mandatory Half Hourly Settlement for Profile Classes 5-8'

This Consultation was issued on 17 February 2015, with responses invited by 2 March 2015.

Consultation Respondents

Respondent	No. of Parties/Non-Parties Represented	Role(s) Represented
Opus Energy Limited	1/0	Supplier
Northern Powergrid	2/0	Distributor
GTC	2/0	Distributor
TMA Data Management Ltd	0/4	HHDC, HHDA, NHHDC and NHHDA
SSE	2/0	Supplier
SmartestEnergy	1/0	Supplier
Supplier Agent 1 (Confidential Response)	-	Supplier Agent
Western Power Distribution	4/0	Distributor
IMServ	0/6	HHDA, HHDC, HHMOA, NHHDA, NHHDC and NHHMOA
Supplier 1 (Confidential Response)	-	Supplier
Electricity North West Limited	1/0	Distributor
E.ON Energy Solutions	5/0	Supplier
Supplier 2 (confidential response)	-	Supplier
Scottish Power Energy Retail Ltd.	2/12	Supplier, HHDA, HHDC, HHMOA, NHHDA, NHHDC and NHHMOA
Scottish Power Energy Networks	2/0	Distributor

Respondent	No. of Parties/Non-Parties Represented	Role(s) Represented
Npower ltd	9/15	Generator, Supplier, Supplier Agent
GDF SUEZ Energy UK	1/0	Supplier
EDF Energy	5/9	Generator, Supplier, Supplier Agent
Gazprom Marketing & Trading Retail Ltd	1/0	Supplier
Siemens Operational Services	0/5	HHDC, HHMOA, NHHDC, NHHMOA
British Gas	5/0	Supplier
Good Energy	1/0	Supplier

Question 1: Can you implement P272 by the Implementation Date of 1 April 2016?

Summary

Yes	No	Neutral/No Comment	Other
12	8		2

Responses

Respondent	Response	Rationale
Opus Energy Limited	No	We believe that we would find it difficult to meet the current implementation date due to the existence of several issues which will require time and thorough consideration to resolve, in order to successfully move to half hourly settlement of PC 5-8s.
Northern Powergrid	Yes	-
GTC	No	As we explained in our responses to the original P272 change process we do not have a sufficient number of LLFC's to accommodate this change. We believe this will impact our ability to implement this change by the implementation date of 01/04/2016. A change has been raised to look into this issue however we have concerns that the timeline for the implementation of this change and the current implementation date of P272 will not necessarily align. We believe that this introduces a great risk to the successful implementation of P272 and a delay is necessary.
TMA Data Management Ltd	Yes	Following the extended consultation process regarding P272 we were aware, as agents of what would be involved with P272 implementation by the time it was approved. We are confident that we can process all the relevant information relating to the PC5 to 8 MPANS to be transferred to our agencies by 01/04/2016.
SSE	No	We will use our best endeavours to meet the deadline but this is reliant on our I.T. Services delivering the new Measurement Class G for November 2015, and this is still uncertain due to constraints resulting from the Industry's Project Nexus programme.
SmartestEnergy	Yes	We believe that we are able to implement P272 by the Implementation date of 1st April, but there is

Respondent	Response	Rationale
		always going to be a rump of troublesome issues. We are also basing this view on the size of our current portfolio and cannot be sure if we experience significant growth in the coming months. This is also subject to whether the agents we use have a strategy to deal with the volumes involved; clearly, the agents we use are also working with the Big 6 who have many more sites than us. It is also important that clarity is given very soon that the industry is going ahead as planned. Further changes to the plans and arrangements at an industry level may need to be factored into our plans.
Supplier Agent 1 (Confidential Response)	Yes	
Western Power Distribution	Yes	-
Imserv	Yes	-
Supplier 1 (Confidential Response)	No	
Electricity North West Limited	Yes	Yes, we believe that this is achievable.
E.ON Energy Solutions	Other	Potentially, although we believe that the delivery to the current timescales carries risk with challenges to both our business operations and to our customers.
Supplier 2 (confidential response)	No	
Scottish Power Energy Retail Ltd.	No	Supplier and Supplier Agent - No There a number of different variables which we believe when combined create considerable risk to the customer and overall settlements quality which make the significant changes required to deliver P272 more difficult given the tight industry timescales imposed. In particular, we see the following key risks: 1. Customer engagement - There are a number of different industry costs that are not yet clear which makes engaging with customers to discuss the price impacts difficult. In

Respondent	Response	Rationale
		addition customers are currently taking advantage of favourable market conditions in order to obtain benefit during their contracted period. They therefore have an expectation of realising relevant economic benefits over the full contract period, rather than being mandated to a new pricing structure and regime within a short 6 month period. These changes will not necessarily move a customer to a better position, leaving many customers forced to re-negotiate their contracts at short notice when the market may be less favourable, potentially costing the customer. A delayed and phased implementation would enable many customers to see out their existing contract to their benefit, something which would not be available to them under the April 2016 implementation. This too will impact the customers' ability to plan and budget for any cost differentials which involves some complexity to perform accurately within a budget year. We are extremely keen to provide customers with the best possible service and experience but mindful that our customers expect any imposed industry change to have clear benefits for them and this may not be the case for all impacted customers. Any ambiguity in the customer's mind will only create conditions for increased complaints and potential customer debt through disputes. It is much better that Suppliers are able to sell this as a benefit through developing competitive prices and products rather than imposing it upon their customers. 2. System Changes - ScottishPower estimates that P272 will require a significant up-scaling of our IT-processing capability & capacity given the huge increase in data. The costs and timescales for this type of change typically take several months and need to be fully tested before moving customers. There is a risk to the industry and the overall market that if implemented to the April 2016 timescales there could be increase instances of missing data which could have a significant detrimental impact to

Respondent	Response	Rationale
		Settlements. Furthermore clarity is required for existing industry system impacts on the provision, in advance of acquisition, of the correct metering type (WC or CT). This is needed to minimise the risk of incorrect contract pricing as a result of information currently provided by the customer or their energy consultant. 3. Without the WC/CT information being available in the public domain, potential new suppliers will not have knowledge of the metering set-up, limiting the accuracy of cost-reflective contracts on offer to the customer and giving the current supplier a competitive advantage over others. 4. We believe that the implementation challenges described in this response will apply to all industry participants however it should be noted that there is nothing stopping others from implementing in line with existing deadlines and taking on economic risk. Therefore the market will remain competitive and with all enablers in place by November 2015 it is likely that all Suppliers will seek a competitive advantage as quickly as they can. Therefore the deadline of April 2016 succeeds only in creating behaviours looking to comply whatever the cost rather than seeking to provide the best possible service to their customers. Finally, we believe that specific factors create significant risk to the market as a whole and as outlined in question 5, later in our response the most significant risks relate to: • Complexity of the COMC process to enable the industry change • All agents will have to ensure that they have adequate resources & controls in place to support the anticipated roll out • Disruption and considerable risk to customers and settlement arising from possible errors arising from the migration and related COMC process change
Scottish Power	Yes	We believe that from a Distributor viewpoint we can meet the implementation date. This is entirely

Respondent	Response	Rationale
Energy Networks		dependent on Suppliers being able to submit the relevant Change of Measurement Class (COMC) Industry flows within the timescales, as well as Distributors having resolved the issue of requiring Customer Capacity information prior to any changeover.
Npower ltd	No	The letter submitted by npower to the BSC Panel questioned whether the existing P272 timeframe could be achieved and also highlighted the significant volume of uncertainty surrounding delivery and as such, we have responded to the question with a 'No'. However our concern is not so much about whether the target deadline can be met, but it is the manner in which suppliers will meet the deadline and the impacts of doing so on end customers. P272 involves unprecedented levels of change, it is complex and there is much that the industry is learning as it prepares for the transition of a large group of customers to half-hourly Settlements. Key to this is two issues: first, Parties are raising changes to facilitate the implementation of P272. We do not know the impact of these changes but they will change the industry baseline during the time that we are developing systems to carry out P272 changes of measurement class (COMC). Second, is the time available to carry out system changes and migrate customers to a new measurement class in a timely and orderly manner. Unless there is adequate time to manage the work load we are concerned that there will be significant disruption to customers. The industry has a responsibility to ensure customers are not adversely impacted where possible and the customer process is transparent. This is extremely difficult given the uncertainty surrounding change which is consequential and related to P272. The impact on many customers could adversely affect their attitudes towards half hourly (HH) metering in the short and long term. The reasons for this are set out in our response to subsequent questions below. In summary, npower's case is not that we cannot achieve the existing timescales; it is that the risks of doing so on customers are too great.
GDF SUEZ Energy	Yes	We believe that we can successfully implement P272 by migrating all of our relevant metering

Respondent	Response	Rationale
UK		points to be settled as half hourly. However we are concerned that without further regulatory change and engagement by all parties (as detailed in the remainder of this response) the customer experience of the migration could be less than ideal.
EDF Energy	No	While EDF Energy has an initial project plan that aims to achieve the 1 April 2016 implementation date (as stated to the Performance Assurance Board (PAB) in our transition plan submitted on Friday 27 February, 2015) there are a number of uncertainties that place the success of this plan at risk. At this stage, our plan is based on a number of assumptions around the ability to secure external resource from agents, successful engagement with customers, and the successful development of processes to carry out the necessary work. There is significant potential for some or all of these elements to be delayed or to generate further risks to be mitigated. We discuss these issues further in our response to Q2. Should an extension to the implementation deadline be granted, our work on this project will still continue. Therefore, preparation work has already begun to develop and test processes. However, these will almost certainly raise further issues/risks to be factored in and considered.
Gazprom Marketing & Trading Retail Ltd	Yes	Yes, we share a number of the concerns identified in various industry forums and internally in relation to the P272 implementation. However, we believe that the work being undertaken by industry to address the most material issues should allow the P272 implementation date to remain.
Siemens Operational Services	Yes	To achieve the implementation by 1st April 2016 will challenge our resources. It is based on being able to use all the time available to us to undertake the transitions in our role Meter Operator Agent. We consider the period of November 2015 to March 2016 to be when the majority of transitions will occur. However we are dependent on having viability of our Suppliers transition plan before the end of May 2015 so that we can consolidate them into a single operational plan for the proposed main transition start date of November. Any delay beyond the May date in obtaining the Suppliers' plans could jeopardise our ability to meet the implementation deadline.

Respondent	Response	Rationale
British Gas	Other	We are planning to implement P272 by 1st April 2016 but are aware of a number of significant challenges that must be overcome to ensure we meet this deadline. We have concerns about the availability of IS systems and Developer resource due to the large volume of change being carried out across the energy market as a whole. Specifically the cross over between P272 and Nexus is causing a major bottleneck. We also have a concern related to our existing supplier of NHH agent services to the customers covered by P272. As highlighted in our response to the P272 Supplier Questionnaire our agent has recently entered into discussions on HH qualification with the QSP. Until our commercial discussions are concluded we are unable to provide a full migration plan. We also have concerns related to the customer impact of the P272 change particular with regard to the timing of the migration to HH settlement and the ability to carry this out in conjunction with contract renewal. These concerns and challenges will materially impede our ability to meet the April '16 deadline and are also very likely to cause a material drop in customer experience.
Good Energy	Yes	-

Question 2: Do you share the concerns identified by industry participants in relation to the P272 Implementation Date of 1 April 2016?

Summary

Yes	No	Neutral/No Comment	Other
17	5		

Respondent	Response	Rationale
Opus Energy Limited	Yes	We agree with the concerns raised by industry participants regarding issues which have come to light since Authority approval of P272 in late October 2014. These include: **Use of system charging issues** National Grid has identified that it will over-recover TNUoS income in 2015/16 from suppliers of PC 5-8 because it will receive income from both NHH and HH (Triad) charges from a particular metering point if the Change of Measurement Class (CoMC) takes place prior to March 2016. If a solution is not identified, suppliers will need to delay CoMC to March 2016 at the earliest leaving just one month to convert to HH Settlement by 1 April 2016. From a DUoS charging perspective, a clear and consistent approach has not yet been agreed across the industry regarding Maximum Import Capacity (MIC) related aspects of P272. Distributors are required to identify the MIC for each site and suppliers require the MIC when revising contract prices. There has been some debate regarding the accuracy of MIC data as held by Distributors, together with the potential customer impacts that could arise when the MIC value is incorporated within customer billing following change of measurement class. For example, it has been reported that some sites have a MIC currently recorded as zero and so customers will experience an impact on their bill when the actual MIC is applied. Consideration needs to be given regarding how best to communicate this to customers, gaining agreement of the MIC and minimising customer and Settlement impacts. **Contract-related issues** Currently, the P272 implementation date will impact

Respondent	Response	Rationale
		customers prior to their contract renewal date, which for most businesses occurs in April or October but for some suppliers can occur any time during the year. A better customer experience could be achieved if customers were to migrate to HH at the end of their supply contract when much of the interaction between customers and their supplier takes place. **Resource issues** The current unprecedented level of industry change, including significant industry programmes such as SMART rollout, EMR and Project Nexus place a strain on all suppliers attempting to meet the system change and process change requirements, particularly for independent suppliers with less resource.
Northern Powergrid	No	Whilst we understand and appreciate the concerns as raised, as we are not a supply company our concerns regarding the implementation will naturally be different to theirs. With regards to the Haven Power concerns: from a DNO perspective we have put in place a project plan to deliver our requirements, which is to ensure that we determine a 'Maximum Import Capacity' for all Profile Class 5-8 CT metered customers ahead of the April 2016 deadline. We are also actively involved in developing the options for obtaining this information that are being progressed by the distribution charging methodology forum (DCMF) methodologies issues group (MIG). The Npower letter does raise some legitimate concerns for suppliers regarding contract rounds and mass changes of measurement class. However, as a distributor we are unable to comment on the materiality of this, or in fact how many supplier parties share these concerns. Some of these concerns should be drawn out when transition plans are submitted. At its October meeting, the PAB agreed the timeline for the submission of transition plans for Suppliers and their agents by Friday 27 February 2015. We note that Ofgem has indicated that to consider a delay to the Implementation Date of an Approved Modification it would expect participants to demonstrate that issues identified have a material impact, cannot be resolved by the Implementation

Respondent	Response	Rationale
		Date and are prevalent across the industry.
GTC	Yes	We believe that the concerns raised by industry participants so far contain validity. There are many unanswered questions and impacts which have yet to be fully defined which could have a material impact on the delivery of this change. From our perspective we have key concerns in relation to: • Changes required to the LLFC-length (alphanumeric) • Setting of MIC values With regards to MIC values, although this is not something which sits under the BSC it is something which we are concerned with in order to facilitate this change. A process has yet to be fully (or formally) defined on how this will work across the industry. We would echo Haven Powers concerns on this area. We believe that the communication effort required by parties to facilitate this by April 2016 may be ambitious in some cases. We would also go further to say that a joined up approach must be made in order for this exercise to be successful and we have concerns that not all parties will be aware that this exercise needs to take place or, indeed, prepared for it.
TMA Data Management Ltd	No	Regarding the TUoS charges issues mentioned, we understand that National Grid are committed to consulting on an Urgent modification to the CUSC to address the issue of potential over recovery and that it is welcomed. Regarding the concerns over MIC (Maximum Import Capacity), we of course, would welcome clarity from Distribution Businesses. We also note the concerns regarding the high level of significant Industry Changes in the pipeline. We would suggest that it is a very strong argument against delaying P272 implementation; the Industry is always busy. 2017 will be intensely busy for Market Participants with Smart metering and the DCC, under current expectations, having recently gone live. We note that OFGEM have stipulated that any request to extend the implementation date would have to meet three specific tests: have a material impact; cannot be resolved by the Implementation Date; and are prevalent across the industry.

Respondent	Response	Rationale
		The TUoS issue appears to be being addressed. The problem of DUoS charges needs to be addressed. It would be very helpful if it could be clearly understood what information Distribution businesses require to specify all DUoS charges; and to identify who is best placed to provide that information. It is difficult to see a cogent argument to support the proposition that this absolutely cannot be resolved in time for the Implementation Date – it may be challenging and require effort, but it is certainly possible. DUoS cannot be over recovered, if it were misallocated that would be most regrettable, but it is not impossible to resolve by the implementation date. It is certainly true that industry is busy, but that is always the case and will be no matter what extension were granted. If the concerns can, with will and effort be addressed, it is therefore not possible to sustain an argument identifying any "material impacts" that "cannot be resolved". Matters that are challenging, even very challenging, are not – at all –impossible.
SSE	Yes	Any delay in resolving both the TNUoS and DUoS issues, and the significant additional £ million charges to our Customers, would reduce our window of opportunity to migrate these Customers in the current timescales, the majority of whose existing contracts are on a twelve month renewal cycle. A number of required modifications to the BSC, MRA and DCUSA have still to be raised, or solutions agreed, shows the testament to the complexity of delivering P272, as opposed to a limitation in cross-code co-ordination.
SmartestEnergy	Yes	Implementing P272 was never going to be easy and we accept that EMR and Nexus will be placing an inordinate amount of pressure on resources for companies be it internal or external IT resource. However, we must remember that Ofgem gave notice to the industry to install AMR metering at PC5-8 sites with licence changes in 2009; P272 was raised in 2011 and had an originally proposed implementation date of April 2014 to coincide with the time that all AMRs should have been installed. Significant delay has already been experienced. SmartestEnergy cannot state categorically that we will have transferred all sites by April 2016; we

Respondent	Response	Rationale
		foresee problems with the CoMC process, establishing capacities and which MC to use and customer contractual issues. However, that does not mean that we do not intend to do our best to implement as soon as possible. Delaying the start in our opinion does not resolve the problems of contractual timing. In terms of materiality we do not believe that there are any issues which are related to the timing of migration which will affect costs save for the potential for TNUoS costs to be double charged. However, there could be implications for customers depending on how suppliers price them between now and implementation.
Supplier Agent 1 (Confidential Response)	Yes	
Western Power Distribution	No	We believe the concerns relate to supplier systems and processes – the agreement of the MIC with the customer has commenced and is ongoing.
Imserv	No	-
Supplier 1 (Confidential Response)	Yes	
Electricity North West Limited	Yes	We do recognise the concerns and the industry, within its consultations and working group meetings, did consider the impact that the three related changes (P272, DCP179 and P300) had on each other, to determine what would be the best implementation order and timescale between each. We appreciated Ofgem's early decision on all three that ensured the maximum amount of time was made available within the Ofgem consultation on the implementation date for P272. We do accept that there is a considerable amount of industry change and the impact that this has on both internal resource and external service providers. Delivering change on what seems to be moving goalposts is very challenging. We did comment within our P300 response that allowing Suppliers the opportunity to move customers during their contract negotiations is a pragmatic approach but we believe that this should also form part of planned migration with such detail being provided to the Performance Assurance Board

Respondent	Response	Rationale
		in order to manage expectations. We do acknowledge that P300 and DCP179 will provide benefits and increase competition and allow for migration for CT metered sites from April of this year and whole current sites from November. We accept that Suppliers can indeed move these without P272, however to maximise such benefits we need to agree a backstop date when all sites are measured in this manner. With regard to the Maximum Import Capacity, Distributors do need to communicate this to CT metered customers. We retained our capacity values post CDCM introduction in 2010 as part of our network management and even though Supplier billing for such customers was undertaken on a SCDUoS approach we produced 'pseudo bills' based on information received on the D0010 data flow to ensure that the calculated capacity was within the parameters of the agreed capacity. That said we still believe that we should contact all these customers to manage their expectations since it will be six years since a capacity charge formed part of their bill (assuming that suppliers bill in such a manner). Depending on the feedback received we believe there are two options available. If there is a compelling case then indeed the implementation date should be pushed back. If not, then the 1st April 2016 should be retained and those who cannot meet such a deadline should seek derogations to either a code or their respective licences.
E.ON Energy Solutions	Yes	Yes, we share the potential customer experience concerns raised by Npower and Haven Power of implementing P272 by April 2016. In particular the TNUoS and DUoS issues that have recently been discussed were not considered at the time when P272 was initially consulted upon. These new challenges will make the implementation of P272 more difficult for Suppliers and will inevitably lead to adverse consequences for effected customers. We agree with the concerns raised that the implementation of P272 is proving extremely challenging for 3rd party agents to deliver and we are concerned by the impact that this may have. Overall we are also concerned that the rush by

Respondent	Response	Rationale
		market participants to implement P272 will lead to the increased risk of errors and therefore lead to degradation in the accuracy of settlement.
Supplier 2 (confidential response)	Yes	
Scottish Power Energy Retail Ltd.	Yes	Supplier and Supplier Agent - Yes ScottishPower notes the open letters sent to Panel by Npower and Haven Power detailing their rationale for a delay to the implementation of P272 and outlining the concerns they have. During the course of our detailed planning analysis for P272, we have identified a number of the same issues and hold some similar concerns to those outlined in these letters. We agree there are some related and consequential changes required, some of which have not yet been raised. In particular, we note the output from Issue 59 on the Consideration of the PARMS and Supplier Charge changes introduced by P272 and P300. The Issue Group concluded that the proposed changes to PARMS reporting as initially developed within the P272 and P300 Workgroups were not the most efficient method of ensuring compliance with the BSC and monitoring Supplier performance. The Issue Group also noted that an additional Modification would be necessary to remove the PARMS requirements from both P272 and P300 and, given this has yet to be raised by a BSC Party, we would expect the earliest this could be delivered to be Nov 2015, creating further unnecessary pressures on constrained implementation timescales. We agree that the precision of HH data flows will have to be improved given the smaller loads the PC 5-8 Market will bring to the overall HH Market and that the earliest this could be implemented is Nov 2015. This limits the number of sites Suppliers can change to HH prior to this date, giving a shorter period of opportunity to perform the COMC in line with anticipated deadlines. We share concerns regarding the potential over-billing issue related to TNUoS Demand Charges and note the Urgent CUSC Modification (CMP241) which requires thorough assessment and consideration via the workgroup. Initial analysis after the 1st Workgroup meeting suggests that while the solution

Respondent	Response	Rationale
		will mitigate the double charging of Suppliers for NHH and HH TNUoS, it could create additional issues. Suppliers design their tariffs to be cost-reflective and as such might try to develop a way to bill their customers a NHH TNUoS charge while billing and settling on a HH basis for everything else – this may require complex changes to billing and validation systems which will only be required for the P272 transitional period. The alternative is to bill customers on a HH basis for TNUoS while being billed by National Grid on a NHH basis which again may require system changes and without additional analysis in this area, we are unable to identify the impact on customer costs. Our initial assessment of CMP241 suggests the change does not remove the complexity in calculating accurate, cost-reflective customer contracts. We are also greatly concerned by the short timescales within which DNOs must identify 160k Maximum Import Capacities for the PC 5-8 sites. DNOs will require to agree Capacities with customers for a significant number of their sites and inform Suppliers of these values. However it is unclear as yet as to how this will be done, how long this process will take and what mechanism will be utilised to provide Suppliers with this information. Furthermore access to Maximum Import Capacity (MIC) information is vital to suppliers in order to provide cost reflective pricing. These two issues in particular severely restrict contract pricing activity and introduce significant uncertainty into cost calculations. We believe this will impact upon the competitiveness of pricing within the market as a whole and that the longer these issues remain unresolved, the shorter the window available to Suppliers to perform the number of CoMCs required to ensure compliance with P272. The recent approval of DCP178 which forces DNOs to publish DUoS prices 15 months in advance could be impacted by P272 activity which we believe was not fully explored at the DCP178 Workgroup. This impact could exacerbate movements in year-on-year DUoS prices, an issue we highlighted in our response to Ofgem on DCP178 and which we believe requires further analysis to be performed. Continued uncertainty in costs may discourage customers from realising full benefits of P272 and

Respondent	Response	Rationale
		could potentially undermine confidence in the I&C energy market, particularly when some customers could be negatively impacted financially by the changes brought about by P272, P300 and the associated DCUSA change DCP179. We agree that the next 2 years will bring about fundamental change to the entire Energy Industry on a scale not witnessed since market start up (SMART, Project Nexus delivery, etc) and we recognise the risks that the multi-facetted nature of this change brings.
Scottish Power Energy Networks	Yes	Distributor – Yes Yes, we can fully understand the concerns while at the same time recognising that Suppliers still have 12 months to progress this. DNO's also have a requirement to agree a methodology for establishing 'agreed' Authorised (Maximum) Capacity for ongoing charging purposes. An Industry-formed MIG Working Group are already looking at options here which may yet require individual contact by both DNO's and Suppliers across the full UK portfolio of existing PC 5-8 customers.
Npower ltd	Yes	Within our letter we highlighted 8 changes that bring uncertainty to the P272 rollout. There may be more changes required as Parties work towards a baseline plan. Of these known changes, most are yet to be raised formally through the appropriate governance framework. Some of these changes may well be trivial and of no impact to P272 plans or customers, others may not. It is this uncertainty which is our concern. Suppliers may mitigate this uncertainty by end loading their roll out plans, this itself is a risk given the short time in which there is under the existing mandate. We may see decreased customers service levels and increased costs for the industry from this approach. Under the proposed arrangements the majority of customers (those with Whole Current meters, assumed to be 55% of the PC 5 – 8 customer base) can only change measurement class once the new measurement classes have been introduced, which will not be until November 2015. Our proposed implementation plans have little time for slippage in the event of disruption or unforeseen problems. So, the risk of not completing the migration programme within time is high.

Respondent	Response	Rationale
		Second, and more importantly, are the impacts on customers. During our planning for P272 we recognise that the customer aspects of this type of COMC are significant. Unlike most COMCs that are carried out, the customer may have no prior knowledge of the change and understand the reasons for it. So, it is important to get the customer contact arrangements right. We will write to customers about the change, and where necessary arrange for a meter operator to attend. In many cases we may wish to offer new prices, or we would want to set prices that spanned the migration. Pricing for non-half hourly and half hourly customers is different, relies on different information and will have different processes. In many cases, the change of measurement class will not only involve new letters to customers but also suppressing others. With the range of customer contracts, the point in their journey and the need to get the right letter to each customer, this is not a trivial exercise. COMCs will require suppliers to move customers on to HH systems, for example billing customer relationship management and pricing. There will be some form of disruption caused by doing this which will best be managed at contract renewal. Most of our customers are on fixed term contracts of a year or more. The contracting and renewal processes have several stages, performing a COMC during the contract term could add a significant number of processes for and communications to a customer. Moreover, a large proportion of our business customers have contracts that start in April and October. For most of them, we would have to carry out a COMC during the contract term not at acquisition or renewal. It would be preferable to do the COMC on or around the start of a new or existing contract, in that way we would manage the customer communications, billing, pricing and collection cycles is a better way. We cannot do this in an orderly way with the existing timetable for P272. The additional materiality of this is hard to determine as the solution depends on the timing, the nature of the plans and customer preference. However, creating new letters, new processes, extra staff and the costs of remedial action to affect the

Respondent	Response	Rationale
		COMC mid-contract will be significantly more (several hundred thousand pounds) than incorporating them into a normal business cycle. The combined effect of mid contract COMC will be to create more queries to our call centres. The impact on customers is not clear at the moment, some will welcome HH metering, and others may question the need for it. Suppliers will have to work hard to minimise disruption and the COMC process into a customer's journey in a positive manner.
GDF SUEZ Energy UK	Yes	We would agree particularly with the concerns detailed below. **TNUoS Charging** We agree with the assessment that the double charging of TNUoS across the winter period will result in the vast majority of the conversions to half hourly occurring in March 2015. This concentration of industry activity in a short window is very likely to lead to a range of difficulties with data transfer that, particularly in the case of metered data, would result in a significant number of migrated customers facing estimated or delayed invoicing. **DUoS Charging** We agree that customers on a CT supply that will be migrated to measurement class E have not received sufficient communication explaining the requirement to agree a MIC and the process to do this. Although suppliers can take on responsibility for some of this communication, without an agreed process to agree a MIC that is consistent across all DNOs this will be difficult. The impact of the above will be that suppliers will push the migration back as far as possible for these customers, resulting in the same issues as discussed above for TNUoS charging. It is also likely that customers will be migrated with the incorrect MIC, which will lead to incorrect DUoS charging, difficulties in suppliers being able to price the new measurement class and some customers facing unnecessary breach of capacity charges. All this will occur at a time when there is a high level of customer switching in the market.
EDF Energy	Yes	
Gazprom Marketing &	Yes	Yes, we share a number of the concerns identified in various industry forums and internally in relation

Respondent	Response	Rationale
Trading Retail Ltd		to the P272 implementation. However, we believe that the work being undertaken by industry to address the most material issues should allow the P272 implementation date to remain.
Siemens Operational Services	Yes	The timescale of November 2016 to March 2016 will place a strain on our resources and may require additional staff to achieve the target date. If as Haven Power state in their letter to the Panel, there is the possibility of the majority of conversions happening in one month at the end of the Triad period this would place an unmanageable strain on our resources. We are aware of NG CMP241 Proposal (TNUoS Demand Charges during the implementation of P272) which attempts to address this issue, but at the time of writing it has not been approved and therefore the issue remains open.
British Gas	Yes	We share the concerns of industry participants in relation to the P272 Implementation Date. There are a number of industry changes that are putting a significant strain on both agent and internal IS resource. When P272 was approved the level and impact of Nexus required IS changes was not known. This has only become clear in January this year. Ideally we would migrate customers to HH settlement in conjunction with contract renewal date. This would be the most efficient way of engaging with customers and carrying out the change of measurement class process. We also agree that the high number of P272 associated changes mean we are unable to ensure that customers will not be adversely impacted by the P272 implementation. There are significant dependencies on the DNOs being able to identify and agree Maximum Import Capacity (MIC) for all Current Transformer Metered Customers and delay in provision of this information will disrupt Suppliers ability to provide accurate contract pricing.
Good Energy	No	-

Question 3: 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?

Summary

Yes	No	Neutral/No Comment	Other
7	9	5	1

Responses

Respondent	Response	Rationale
Opus Energy Limited	No	There are a number of areas as previously noted for which suppliers have publically raised concerns. Until these areas of concern have been properly addressed we are not able to guarantee that the Implementation Date of 1 April 2016 can be achieved successfully and with the minimum disruption to customers.
Northern Powergrid	Yes	The concerns we have as a distributor are very different to the concerns of suppliers and we will work to ensure that these do not affect the implementation date. We believe we have put in place a project plan to deliver our requirements, which is to ensure that we determine a 'Maximum Import Capacity' (MIC) for all Profile Class 5-8 CT metered customers ahead of the April 2016 deadline. Once the MIC has been determined and agreed, suppliers will be able to move the CT metered customers ahead of the November 2015 implementation of P300 which facilitates the moving of Non-CT metered PC 5-8 customers to aggregated billing. We are keen to help facilitate these changes and aim to start providing information to suppliers in in the near future, as soon as data is available.
GTC	No	This is unknown as the impacts which I have outlined above have yet to be addressed however we believe it is unlikely that this can be resolved by all parties by the deadline date of 01/04/2016
TMA Data Management Ltd	N/A	-
SSE	No	We have always supported the delivery of P272 and its benefits to accurate Settlements, but believed there should be a minimum twelve month window between the implementation of DCP179/P300 and

Respondent	Response	Rationale
		P272. Our migration plans need to consider existing Customer contract arrangements, and we are keen to reduce the potential Customer detriment through making changes part way through their contract term.
SmartestEnergy	Yes	With some industry good will we feel that a large proportion of sites can be moved by that time; NGT and Elexon, we understand, are investigating a solution to the issue of double charging Triad and there is work being undertaken under a DCUSA MiG to resolve the issues of capacities not being known. Having said that, we have not as yet had sight of these proposals in writing to give us confidence that they will be in place in by November and it is important that they are.
Supplier Agent 1 (Confidential Response)	Yes	
Western Power Distribution	N/A	-
Imserv	N/A	-
Supplier 1 (Confidential Response)	No	
Electricity North West Limited	N/A	As indicated earlier we believe we can mitigate any concerns we have over the delivery of this Modification.
E.ON Energy Solutions	Other	Potentially, although this would require a co-ordinated approach from National Grid and the DNO. There would be a significant financial risk to customers and suppliers if the Maximum Import Capacity for sites are not resolved between the distributors and the affected customers. The impact on customers, particularly the timing of the changes and the ability of suppliers to tie this in with the customers' contract renewal is a significant issue. It does mean that in some cases, changes will be made to contractual terms mid contract, which is far from ideal for suppliers and customers alike.
Supplier 2 (confidential response)	No	
Scottish Power	No	Supplier and Supplier Agents - No

Respondent	Response	Rationale
Energy Retail Ltd.		While Scottish Power believes the complex issues outlined above can be resolved through additional discussion, industry changes and clarifying guidance we recognise implementation of P272 represents an extremely challenging timescale even before the consequential changes that could be required are considered. When the number and complexity of the identified consequential changes are taken into account (as well as any changes not currently identified), achieving implementation of P272 for 1st April 2016 becomes an even more difficult task and, in our opinion, unachievable without resulting in material risk to the customers and settlement quality. We do, however, believe that regardless of the implementation date the significant work that is required needs to continue with considerable haste and cannot be delayed as a result of any change to the implementation date. We also recognise that there exists a risk where CPs/Mods are pushed through the change processes so rapidly that some unintended consequences or ambiguity could be created in an area where there is already significant uncertainty.
Scottish Power Energy Networks	Yes	SPEN believe that while there are hurdles to overcome, these will exist regardless of what date is chosen. While a delay in final implementation date adds more time to meet the deadline, this is only useful if the process still commences as soon as possible. There is a risk that the start-up of the necessary changes would also be delayed, effectively pushing the whole issue out in timescales, therefore not utilising the delay effectively.
Npower ltd	No	We do not believe the known issues highlighted can be resolved within existing timescales. Certainty regarding industry change is needed now, within the planning phase, not as we begin to roll this out to our customers later in 2015. Further to this, it is likely that other issues may come to light given that many industry parties will not have completed their planning for P272 at this time. For example, it is unclear to what extent a supplier should pursue this activity if a customer were to refuse HH settlement. An extension would be a prudent mitigation against this and any new issues that may come to light as more of the

Respondent	Response	Rationale
		unknowns are clarified The issue created by our preference to carry out a COMC on contract renewal date cannot be resolved by anything other than an increase in the time allowed to undertake this activity. More critical than whether the issues highlighted can be resolved is what impact rushing this through will have on levels of customer service and the subsequent risk of disengaging these particular customers from the industry. It is important to have customers engaged if they are to enjoy the proposed benefits of P272. This could well be taken into account by these customers, who all have HH capable AMR metering installed, when deciding whether to choose a load management product in the future.
GDF SUEZ Energy UK	Yes	Our concerns can be resolved by the implementation of additional regulatory change to reduce the impact of TNUoS charges on relevant customers being migrated over the winter period. We understand that a CUSC Change Proposal has been raised in order to resolve the issue. Further, in order for customers to be able to understand the requirement to agree a MIC and to do this in a timely fashion, the DNOs need to communicate to customers and suppliers the requirement and process which customers need to go through in order to do this. The customer experience would be helped considerably if DNOs took a uniform approach to the process.
EDF Energy	No	EDF Energy's position is that we may be able to achieve the implementation date of P272 by April 2016 assuming ability to secure external resource from agents, successful engagement with customers, and the successful development of processes to carry out the necessary work. However, all three of these present uncertainties that can not as yet be quantified as explain in our responses to Q1 and 2.
Gazprom Marketing & Trading Retail Ltd	Yes	The biggest issues that we see hindering the 1 April 2016 date are: Economics of the TNUoS charging methodology Currently for customer/supplier economic reasons, migration from NHH to HH will not occur until March 2016, to avoid the TRIAD period and potential

Respondent	Response	Rationale
		double charging. We note that National Grid has raised an urgent CUSC modification (CMP241) which would appear to alleviate this particular issue, should it be approved for implementation by Ofgem. We have not yet engaged in detail with our agents on the implications of P272, but the amendment to the TNUoS methodology may also ease somewhat the system and resource impact that may be placed on supplier agents should the migration be able to take place over a longer period. The Maximum Import Capacity Charge (MIC) for CT metered customers who will be migrating to HH. This issue has been discussed at the DCMF MIG subgroup and there is no consistent methodology being used by DNOs to calculate MICs for each meter, while it is taking some time for CT MPAN data to be received from each DNO. This information is required by suppliers in order to review customer contracts with the potential need to re-price/re-contract with customers. This is essential 'pre-work' prior to the CoMC migration itself. A further issue very much related to the MIC is the parallel introduction of DCP161 (Excess Capacity Charges) in April 2016 which is altering the methodology for setting Excess Capacity charges, and as a result they may be set at a significantly higher rate than the capacity charge. This is increasing the urgency, while compressing the time available for customers and DNOs to agree a suitable MIC value. We believe firstly, that DNOs need to identify the most appropriate MIC values as a matter of urgency and communicate this to suppliers. This was an action agreed at the 8th January 2015 DCMF MIG, as of the 3rd March 2015 we have only received a response from 1 DNO. Secondly, DNOs need to undertake a communication campaign with affected customers to communicate what MIC value is in place, clearly highlighting to customers the process for changing the MIC value and the implications of doing so. Thirdly, as an industry we should consider the benefits of a delay to DCP161 Excess Capacity Charge implementation or a 'soft-landing' for existing PC5-8 CT meters, where they will not face

Respondent	Response	Rationale
		excess capacity charges for 6-12 months. As highlighted in Npower's letter there are further related changes that have or will need to be raised. Most of these we do not see as significant enough to delay implementation by 12 months or more. Although one CP which has just recently been raised may require significant system changes (CP1434-alphanumeric LLFCs). This may be problematic with the currently proposed implementation date also April 2016. We have not yet had an opportunity to assess the potential implications of this change being required in parallel to P272 implementation.
Siemens Operational Services	Yes	We believe that the TNUoS issue highlighted by Haven Power has to be resolved else the scenario that they outline is a possibility. We are pleased that CMP241 has been raised and expect that it or an alternative will be implemented by November 2015.
British Gas	No	We do not believe it is possible to resolve the issue related to the clash of resources required for Nexus and P272. We are working hard to mitigate the impacts but a longer period to carry out the HH migration would help mitigate these issues. If the associated P272 changes are not approved and implemented in a timely manner we cannot be assured that the P272 migration will be implemented without negative customer experience. At a time when the energy industry is in the spotlight we need to be confident that this major change can be implemented without an adverse effect on customers.
Good Energy	N/A	-

Question 4: It has been suggested that the P272 Implementation Date should be delayed by at least 12 months (i.e. until 1 April 2017 or later). Do you believe the P272 Implementation Date should be delayed?:

Summary

Yes	No	Neutral/No Comment	Other
11	11		

Responses

Respondent	Response	Rationale
Opus Energy Limited	Yes	We believe that a delay of 12-18 months would provide sufficient time to address the issues which have been raised. It would also allow time, if deemed appropriate, for clarification documents to be issued to help ensure a consistent approach across the industry in order to help avoid potential adverse customer and Settlement impacts.
Northern Powergrid	No	Again whilst we appreciate the concerns raised by Suppliers, we feel that rather than delay implementation it may be more beneficial for parties who are unable to meet the deadline to apply for a time-limited derogation.
GTC	Yes	Parties have already highlighted concerns with this process being completed for a dead stop date of 01/04/2016 with more than a year to go. We believe that parties have looked at this change in more detail and have now realised that the implementation date may not be achievable. We agree with the rationale provided by Npower that a delay to the implementation of this proposal would not stop parties from making changes to customers on Profile Classes 5-8 but it would be an opportunity to provide a greater more flexible timescale to resolve issues which may be resource intensive. With regards to how long should this be delayed we believe that in order for us to meet the challenges of this and the related change of P300 we will need an additional 3 months on top of the implementation date of any change to the LLFC length. This would be to ensure that changes could be: • Created and submitted to MDD • LAF files are generated

Respondent	Response	Rationale
		• Internal systems including MPAS could be updated with the new values • Charging statements and charging documentation could be updated to reflect the range of LLFC's available
TMA Data Management Ltd	No	P272 was first raised on the 20th of May 2011. There have been many consultations on all aspects of P272 and its potential consequential changes. It has been a long time in the making and cannot come as a surprise to any Market Participant. With the sunk cost of the effort by the Industry in consultations, extensive committee work, we find it hard to see justification for delaying P272's implementation. We believe it is the Authority's intent that P272 implementation will realise benefits from the AMR program for consumers; and that the industry cannot justify delaying the Authority realising their goal. Market Participants have already incurred costs in preparing to meet the Authority's mandate of April 2016, it would effectively penalise those participants who have worked to meet the Industry's deadline to now delay P272's Implementation.
SSE	Yes	Although we were always of the belief there should be a minimum twelve month window from the implementation of P300, for the reasons detailed above, we would support a 12 month delayed implementation to April 2017. This should allow sufficient time for the TNUoS and DUoS issues to be resolved, give our I.T. Services the opportunity to deliver P300. Nexus and other significant Industry programs, and safeguard the 'Customer Experience' by mitigating any unintended impact through changes to their contract terms.
SmartestEnergy	No	We believe that the industry should continue with the same implementation date but that there should be some latitude shown where suppliers have issues with customer contracts and a lack of information on capacities. We believe that a modification will shortly be forthcoming which will remove the Supplier Charge associated with not being compliant with P272 and we would very much support this. It is important to maintain impetus to get P272 implemented as quickly as possible and to manage the progress through the Performance Assurance Board. Supplier Charges could be applied from a

Respondent	Response	Rationale
		later date, say from April 2018.
Supplier Agent 1 (Confidential Response)	No	-
Western Power Distribution	No	As a DNO – our issue is the agreeing of MIC with the customer, whilst extending the implementation date will potentially assist suppliers, we have no knowledge of when suppliers will migrate their mpans and therefore we need to continue with our work to agree the MIC , as suppliers will continue with their migration plans and will require this data in place wherever possible.
Imserv	No	-
Supplier 1 (Confidential Response)	Yes	
Electricity North West Limited	No	It would be helpful to understand: • the full impact of the consultation responses; and • the results from P272 questionnaires on company delivery plans in determining a pragmatic implementation date. However, two years from this consultation response seems a little excessive. Pushing it back to the October 2016 contract round may be more appropriate.
E.ON Energy Solutions	Yes	Yes, we agree a delay to the implementation of P272 would be in the interests of affected consumers, suppliers and would ensure that settlement accuracy is not jeopardised. We also share the concerns mentioned in the letters of the potential negative impact that a too hastily implemented P272 change may have on the broader smart metering implementation programme. A phased approach may assist with alleviating some of the concerns and may bring about a more orderly transition for customers and industry.
Supplier 2 (confidential response)	Yes	
Scottish Power	Yes	Supplier and Supplier Agents - Yes

Respondent	Response	Rationale
Energy Retail Ltd.		ScottishPower recognise the current implementation date of 1st April 2016 is extremely challenging for the industry as a whole however we also acknowledge the potential benefits that P300 and DCP179 in combination can bring to certain PC5-8 customers and the entire Electricity Market. Delaying the implementation of P272 or effectively applying a phased implementation approach from the 1st April 2016 across an agreed period (e.g. 12 or 18 months) would not prevent Suppliers or Customers choosing to move to HH Settlement within the current timescales of P272 and realising the benefits that might be available to them. In contrast retaining a "drop-dead" date of 1st April 2016 will increase cost uncertainty for Suppliers for the reasons given above and negatively impact competition. For this reason ScottishPower believe that a grace period of 12 to 18 months from the existing implementation date to compete the switch to HH would be appropriate. This would still represent a considerable challenge to Suppliers and their Agents but would allow time for the cost uncertainties to be resolved and allow greater time for the change to HH Settlement with as limited an impact to competitiveness as possible.
Scottish Power Energy Networks	No	Distributor - No SPEN are fairly neutral here, as per the points expressed in response to Q3 above, but on the whole feel that as the issue has been on the table for some years now, it is probably more beneficial to conclude the change as soon as possible. We note that notwithstanding P272, customers already have the option to move from NHH to HH Settlement now, whereas P300 changes cannot commence until consequential Industry Changes are developed and implemented (November 2015 Release). As stated earlier, the MIG Working Group are already working on solutions relating to customer capacity data, and it is to be hoped that a co-ordinated Distributor/Supplier approach can be established, minimising multiple and separate contact with the customer. Finally, we are aware of the Urgent CUSC Modification CMP 241 – TNUoS Demand Charges during Implementation of P272 – this seems a positive and pragmatic solution that may be more

Respondent	Response	Rationale
		complex and difficult to arrange and deliver should high volume NHH to HH changes occur over a wider time frame.
Npower ltd	Yes	Clearly yes, we believe 18 months would be optimal given the issue of contract round renewal. This timeframe would also allow suppliers more flexibility and resource to support customers and offer HH products to customers who want, understand and can most benefit from HH settlements. Perhaps valuable learning can be gained while doing this.
GDF SUEZ Energy UK	No	We believe that although there are some concerns with the April 2016 implementation date, these can be resolved in the time between now and then. If a delay was to be agreed, an April 2017 implementation would encounter the same issues with TNUoS as an April 2016 one. As such we would suggest that if P272 were to be delayed that moving it back to a June 2016 implementation, in order to provide more time to migrate after the winter period, would be appropriate.
EDF Energy	Yes	As explained in our response to Q1 and 2 at this stage our plan is based on a number of assumptions around the ability to secure external resource from agents, successful engagement with customers, and the successful development of processes to carry out the necessary work. There is significant potential for some or all of these elements to be delayed or to generate further risks to be mitigated. However, our greater concern is for the potential negative impact on customers. In our response to Q2 we outline how at least a 12 month extension to the implementation date could significantly increase the number of customers who we would be able to convert to HH in line with their natural contract renewal, which would be less disruptive to customers.
Gazprom Marketing & Trading Retail Ltd	No	We believe the most material issues identified can be resolved by industry in the next couple of months and are not material enough to delay implementation by 12 months or more.
Siemens Operational Services	Yes	We would benefit from a delay in the implementation of P272 if the transition process is extended over a longer period of time with the Suppliers using all of the period. Assuming an implementation date of 1st April 2017 this would allow a transition period of 17 months. This would

Respondent	Response	Rationale
		reduce the strain on our resources. We would expect there to be milestones at key dates within the extended period by which suppliers would be required to have transitioned certain percentages of their portfolios. We appreciate the argument on NPower's letter proposing the implementation should be extended to allow Suppliers to transition consumers to HH metering as their contracts come up for renewal and this we be a better experience for the consumer. However this approach would still present us with operational issues and strains on our resources because the majority of contacts are renewed in April or September, which would present a two peaks each year instead of the smooth transition profile that we would aim for.
British Gas	Yes	Ideally we would migrate customers to HH settlement in conjunction with contract renewal date. This would be the most efficient way of engaging with customers and carrying out the change of measurement class process. The largest category of customers cannot be migrated to HH settlement until P300 is implemented therefore we would prefer the implementation date to be moved to April 2017. This would allow those suppliers who wish to move customers to HH settlement sooner to do so and would also enable the industry wide migration to take place over a longer period (Nov 15 to April 2017). This would place less strain on industry resources and systems.
Good Energy	No	-

Question 5: Do you have any further comments?

Summary

Yes	No
11	11

Responses

Respondent	Response	Comments
Opus Energy Limited	No	-
Northern Powergrid	Yes	As stated above we have a project plan in place and are working with the DCMF MIG to ensure that concerns relating to determining a Maximum Import Capacity for PC 5-8 CT metered customer are addressed well ahead of the implementation deadline of 1 April 2016.
GTC	Yes	There is a risk that if the change to LLFC's is not implemented in a "timely" manner or is rejected prior to April 2016 we will be unable to migrate these MPAN's to an appropriate LLFC. I know that this interferes realistically with the final requirements of P300 (I'm thinking of the requirement to provide the LLFC's against the SSC) and not P272 but presumably we would not be required to fully comply with this up until P272 is implemented. Does this not impact settlement? The supplier might be able to migrate the measurement class but we would have no valid combinations to base this against. In addition even if this was allowed it would have an impact on billing which I know is not an issue for the BSC but it is an impact for us. I would assume that we would also not be compliant with BSCP128. I believe potentially delaying P272 would give a bit more breathing space between CP's in order to resolve these issues.
TMA Data Management Ltd	Yes	P272 has been mandated and is now part of the BSC waiting for implementation. We are not convinced that the Panel should challenge the Authority's mandate on the BSC because of issues external to the BSC (TUoS and DUoS). We believe that to make a challenge to the Authority's mandate will introduce a new risk, by extending confusion and uncertainty over the P272 mandate. It would be very helpful if it could be clearly understood what information Distribution businesses require to

Respondent	Response	Comments
		specify all DUoS charges; and to identify who is best placed to provide that information. It may very well be appropriate for the Panel to seek the Authority's support in this matter, whilst accepting the mandate. Any challenge to the mandate would, in itself, mean the Panel were introducing new risk to Market Participant planning because it will inevitably use time which should more appropriately be devoted to preparing for the mandate. As defined in BSC Schedule B 1.2.1 "The Panel shall conduct its business under the Code with a view to achieving the following objectives: (a) that the Code is given effect fully and promptly and in accordance with its Terms". The Panel may wish to consider whether or not a delay to implementing P272 meets this objective (a). The Panel may wish to initiate cross code work as appropriate to assist in the prompt resolution of the DUoS MIC process issues in order to ensure P272's implementation date is met rather than use more Industry consultation time.
SSE	No	-
SmartestEnergy	No	-
Supplier Agent 1 (Confidential Response)	No	-
Western Power Distribution	No	-
Imserv	Yes	Despite a busy period of industry change IMServ has already begun work on P272. A combination of different Supplier strategies and end consumer interaction means HHDC and MOPs will need to deal with potential times of peak transitions to support P272 irrespective of its implementation date. A potential postponement will likely only move these same peaks rather than remove or reduce them therefore the effort and risk to the industry remains the same irrespective of EFD. IMServ at this stage are happy with the current proposed delivery timescales and the momentum that has been gained to date.

Respondent	Response	Comments
Supplier 1 (Confidential Response)	No	-
Electricity North West Limited	No	-
E.ON Energy Solutions	No	-
Supplier 2 (confidential response)	Yes	
Scottish Power Energy Retail Ltd.	Yes	Supplier and Supplier Agent We have additional concerns around the projected number of CoMCs that would be required each day from 1st April 2015 in order to comply with the current implementation date. Even if all uncertainties surrounding the TNUoS and DUoS pricing be resolved within the next month, Suppliers will still require to enter into a lengthy contract agreement process with Customers which will include significant work to extol the benefits of HH Settlement. The number of parties involved in such a change (Customer, Customer's consultant, Supplier, NHHDC, NHHMOP, HHDC, HHMOP, SMRA) is significant and the industry process is known to be fraught. With the added complication of the customer's right to appoint their own agents the settlement risk of fallout is significant. As Elexon's own reporting on items such as the SP04 serial (CoMC) this is not a simple process and fails on existing low volumes. While there is much work to seek to improve the process before we apply unprecedented large volumes the risk is intrinsic in the number of variables and needs to be recognised. In order to meet the 1st April 2016 implementation date, based on ScottishPower's current portfolio we would require to perform an average of 50 CoMCs each working day. With the Proving Test requirements taken into account this is an extremely difficult target and places significant stress on resources. This was not factored into original cost analysis during the consultation process for P272 due to uncertainty over the requirements at that

Respondent	Response	Comments
		time. Indeed, confirmation of the exemption of Measurement Classes F and G from HH Site checks and clarification of the timescales of Proving Tests is still to be obtained. All of the above ignores the potential for common issues to arise, preventing an AMR being reconfigured to facilitate HH settlement or for a Proving test to be carried out (blocked meters, signal problems, customer refusal due to physical/operational disruption etc.) which could impact the success rate of these site visits and ultimately compliance with the current P272 implementation date.
Scottish Power Energy Networks	Yes	Distributor As stated earlier, SPEN agree that there are many issues to be addressed prior to full implementation. These sit mainly with Suppliers relating to customer contract renewal and the equivalent changes relating to P300. From the DNO perspective, the main issue relates to establishment of Capacity Data for our profile Class 5-8 sites with CT/VT Metering (circa 8,000 across SPEN). It is important that the solutions designed for this activity are consistent, practical and achievable, and are thereafter supported by the Authority. Finally, SPEN recognise that the appropriate P300 and P272 COMCs may be progressed alongside RDP testing of Registration data provision from MPRS to DCC, but again feel that the additional processing requirement within MPRS can be accommodated alongside the SMART Development.
Npower ltd	Yes	In making this case, we are not seeking to overturn the Authority's decision on P272, but to delay the implementation to allow for a timely and orderly transition which will benefit customers and enable industry parties to manage costs.
GDF SUEZ Energy UK	Yes	As an industry we are currently experiencing a high level of change, with participants having to carefully plan resource accordingly. We feel that delaying change can actually have an adverse effect on participants who have carefully planned their business roadmaps around published implementation timescales.
EDF Energy	Yes	Should an extension to the implementation deadline be granted, our work on this project will still continue but we believe P272 implementation could

Respondent	Response	Comments
		be achieved in a way that would give customers a less negative experience. Therefore we believe there would also be less impact on the trust between customers and suppliers. A delay would also allow more time for the recently identified issue with Transmission Network Use of System (TNUoS) HH vs NHH charging to be resolved. TNUoS is a component of pricing for many customer contracts and certainty on this would reduce the risk factor suppliers need to apply.
Gazprom Marketing & Trading Retail Ltd	No	-
Siemens Operational Services	Yes	The volume of CoP10 meters that have to be Proved is far in excess of normal bau volumes, even if the process can be spread over a five month period. We request that Elexon delays the implementation of CP1411 until the transition period is complete. The reasoning behind this proposal is that if the CoP10 meters in PC 5-8 were migrated to HH Settlement before 25th June 2015 they would be exempt from Proving. We do not see that these meters will cause any greater risk to Settlement post 25th June than they will prior to this date; these meters are currently being used in the Industry and are being Settled on. We see no reason why there should be any difference between their performance and those CoP10 meters on elective HH Settlement which are un-Proven. We believe the risk of non-compliance to CoMC is significantly increased with the number of meters undergoing the process increasing by a factor of over a hundred times the normal volumes. With the likelihood that the transition will be condensed into a short timescale it is probable that temporary staff will be required to handle the volume, this raises the potential for errors to occur. Removing the requirement to Prove Cop10 meters transitioning to HH Settlement post 25th June 2015 will make a significant contribution in keeping the transition period to within the proposed timescales. We believe that there would be industry wide support from Suppliers and Agents for the postponement of CP1411.
British Gas	No	-

Respondent	Response	Comments
Good Energy	No	-