

## P379 FREQUENTLY ASKED QUESTION

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### **Who is responsible for registering the boundary meter?**

A customer's Primary Supplier is always responsible for registering the boundary meter in the Meter Point Administration Service (MPAS) (or the Central Switching Service (CSS), as will be the case in the future)

### **How can a volume be assigned to a Secondary Supplier?**

Volumes can be assigned to a Secondary Supplier based on a metered volume from an asset located on a customer's premises (for example an electric vehicle with an Asset Metering System at the charge point), on a fixed volume supplied by the Secondary Supplier to the customer (for example 1kWh in a specified settlement period) or based on a percentage of the customer's meter reading (for example 50% of a customer's consumption in a specified settlement period).

### **What does the Customer Notification Agent (CNA) do?**

In both the Option 1 and Option 2 solution, the CNA is only responsible for notifying a 'calculation entity' of the volumes supplied by a Secondary Supplier in the scenarios where this volume is not based on the metering of an asset located on the customer's premises. An example could be where a customer has purchased 1 unit of energy from a community renewable scheme. The CNA would inform the entity performing the meter splitting calculations which Supplier had supplied this volume, to whom, and when.

CNAs will also manage scenarios where there is more than one Secondary Supplier submitting this kind of volume to the calculation entity. For example, two Suppliers cannot each supply 60% of a customer's import, so the single CNA operating at the premises would ensure they did not submit both notifications, communicating this decision to the impacted Supplier. If an incoming Secondary Supplier cannot work with the incumbent CNA (and Secondary Supplier) they will need to trigger a Change of Supplier process to establish the new CNA.

### **Who will be responsible for fixed costs at the meter point?**

The Primary Supplier will retain responsibility for the fixed costs at the meter point, including any fixed network charges and policy costs, if these are levied on a per-MPAN basis. Secondary Suppliers will not have MPANs, so will not automatically receive any fixed charges for these customers. Network charging and social policy obligation calculation rules could be changed so that fixed charges are also levied in respect of a customer's Secondary Suppliers.

### **Who will be responsible for unit based costs at the meter point?**

Any unit based costs will be the responsibility of the Supplier that supplied the unit of energy subject to the cost.

### **Will this impact the Primary Supplier's imbalance position?**

No, because they will only be subject to balance responsibility on the volumes they have supplied. The Primary Supplier will be informed when a customer purchases energy from elsewhere, and when an asset they utilise is to be supplied by a Secondary Supplier. The Primary Supplier can then choose to adjust their purchasing to reflect this.

### **Will this impact the Primary Supplier's forecasting and risk?**

Yes – a Primary Supplier with large volumes of customers actively engaging in Secondary Supply arrangements will have a much more variable and unpredictable energy demand than Suppliers currently experience. This may result in higher risks for the Supplier.

### **Will this impact the Primary Supplier's customer offering?**

This is a commercial matter for Suppliers. However, as the unit volumes they supply will be less predictable there may be an incentive to recover more fixed costs through a standing charge with correspondingly lower unit rates.

### **Will this impact the Primary Supplier's billing systems?**

The Primary Supplier will not be able to bill customers engaging in Secondary Supplier arrangements based on meter readings alone – they will also need the volumes provided by Secondary Suppliers. This means that billing will

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not be instantaneous, and Primary Suppliers will need billing systems that can subtract Secondary Supply volumes from a meter read before furnishing the customer with a bill.

### **What metering will be installed for assets located on a customer premises?**

BSC Modification P375 is introducing a new metering Code of Practice (CoP11) which will provide standards for meters located behind the boundary meter. This will provide Suppliers with assurance that the meter volumes they are being assigned in settlement are accurate.

### **What happens when a customer changes Supplier?**

When a customer changes their Primary Supplier, the Secondary Supply arrangements notified to the entity performing calculations will persist, as they are related to the boundary meter and not the Primary Supplier. That entity will need to find out who the new Primary Supplier is, so that they adjust the imbalance position of the correct Supplier.

There will be a 'Change of Supplier' process for Secondary Suppliers where they are not using the same CNA.

### **What happens when a customer changes address?**

The contracts for Secondary Supply will be with the customer at their MSID, or they may be with the customer only (but will be recorded against the customer's MSID). This means that when the customer moves, Secondary Supply volumes may still be recorded against the customer's MSID, but the Secondary Supply will not be able to bill the new resident for the volumes. The Primary Supplier will inherit the new customer on a deemed standard supply contract until that customer makes their own arrangements. There is no equivalent of a deemed contract for a Secondary Supplier.

The Secondary Supplier is therefore incentivised to know whether the customer is still at their address or not, to avoid being settled for energy they cannot bill. The workgroup determined that any Supplier who discovers that the customer has changed address should be able to inform the other Suppliers that they believe this to be the case. At that point each Supplier can make attempts to contact the customer and ascertain whether or not they remain connected to the MSID.

### **Who can be a Secondary Supplier?**

Where a Secondary Supplier is providing services relating to the supply of electricity, they will have to be a licensed supplier and registered as a Supplier in the BSC.

### **Can licence exempt suppliers participate in these arrangements?**

As the solution needs to be able to operate within existing legislative restrictions, the proposer has determined that P379 will not make any new provisions specifically for licence exempt suppliers. Licence exempt suppliers can continue to operate within the portfolio of a licensed supplier, and the licensed supplier will be responsible for ensuring the volumes are treated appropriately.

### **What type of customers can participate in these arrangements?**

The solution is intended to enable innovative supply propositions to all energy consumers. Therefore, the proposal applies to all SVA meter points. Because the meter splits will be time sensitive, the settlement period for the splitting is relevant. Therefore, the solution is for these arrangements to only be available where a customer is metered and settled Half-Hourly. This means that a customer will need to have consented for their Half-Hourly consumption/production data to be used in Settlement, and that the arrangements would need to be cancelled if the customer withdraws their consent. Their Primary Supplier will need to be using elective half-hourly processes for the customer until Market-Wide Half-Hourly Settlement is rolled out.

### **What is the difference between the Option 1 and Option 2 solution?**

The Option 1 solution has splitting calculations performed by BSC Central Systems, as the BSC is the only contractual relationship between all Parties involved. This solution provides a level of assurance with regards the performance of the splitting calculations.

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The Option 2 solution has splitting calculations performed by an Agent working on behalf of a customer's Primary Supplier, and discussions to date have determined that the Primary Supplier's HHDC is the best Agent to perform the role. This solution leverages the fact that some HHDCs already have facilities to split boundary meter reads between multiple Suppliers (because of the BSCP550 Shared SVA Metering Arrangements). This also reduces the number of handoffs (and therefore potentially amount of time) between real time and the meter splitting calculations taking place, which is important for Supplier billing timescales.

In order to address the defect, in the Option 2 solution there would be no contract between a Secondary Supplier and the Agent performing the calculations. Otherwise, the arrangements would mimic the Shared SVA Metering arrangements, which have proven too difficult to use for domestic scale premises. Secondary Suppliers would rely on BSC assurance processes to ensure HHDC performance.

### **What data flows will be used?**

Flows are defined in the P379 Business Requirements. The solution will seek to use as much of the existing infrastructure as possible. For example, data collection from the boundary meter will utilise existing data flows, whether the reads from the HHDC to the HHDA, or from the DCC to the Primary Supplier.

There will be new registration flows for Secondary Suppliers and Asset Metering Systems.

For the Option 1 solution, this meter level data would be transferred to BSC Central systems, using the D0379 flow following an update to add SVAA as a recipient, following a flow similar to the D0354 flow being sent to the HHDC.

There would need to be new flows created for the transfer of meter data for behind the meter assets. This data flow will also need to be introduced following P375, and therefore should already exist when P379 is implemented and will likely mimic the D0379.

Similarly, there will need to be a new item which defines any volumes contracted by the customer not related to an asset. These flows would mimic ECVNs and MVRNs.

The new flows outlining volumes for Secondary Supply would be copied between the entity performing the calculations and the customer's Primary Supplier.

There would be a new report specifying the outcomes of the meter splitting calculations on a per-customer basis. The SAA-I014 report would also be amended to reflect BM Unit level adjustments.