



P272 BSC Industry Day

19 July 2016

ELEXON



Introduction and Housekeeping

Oli Meggitt

ELEXON

Introduction

- Today is intended to provide
 - The latest news on P272 and P322, from Ofgem and ELEXON
 - An update on how the migration has been progressing
 - An opportunity to share experiences and how you've resolved issues
 - An update on future Modifications and potential changes to the BUSRRs due to the impacts of P272

- For more information
 - P272 page of ELEXON's website
 - Contact the P272 team – Kat Gay, Oliver Meggitt, Anna Miller
 - P272implementation@elexon.co.uk

Agenda

- Introduction from Ofgem
- CoMC planning
- CoMC breakout session – opportunity to discuss issues and best working practice
- SMUs, reporting and EFR escalations
- Metering and interoperability
- Settlement performance and future Modifications
- The future of Settlement Risks SR0022 and SR0028
- Changes to PARMS Serials HM12 and NM12

ofgem

- There are significant changes happening to the energy system:
 - Rollout of smart meters
 - Other technological developments (e.g. storage)
 - Increasing in low carbon, intermittent generation
 - New business models
- Technological and commercial innovation can potentially provide solutions to the challenge of moving to a secure and affordable low-carbon energy system
- We approved P272 because half hourly settlement is needed to fully realise the potential benefits of a flexible energy system in this changing landscape

- We attend Performance Assurance Board meetings and receive regular updates from ELEXON on suppliers' progress against their migration plans
- We are pleased to note that the industry as a whole is meeting the planned migration to date, although this does not apply to every supplier
- We note though that the majority of customers are yet to be migrated to half hourly settlement
- With this in mind, we encourage everyone to make the most of today and work together to solve the ongoing issues to meet the 1 April 2017 implementation date
- We would like to remind participants that compliance with the BSC is a licence obligation

Is it possible for a customer to downgrade to profile classes 3-4?

- We have worked with ELEXON to review the relevant sections of the BSC and do not consider that it is possible for customers to downgrade profile classes.

How should meters with intermittent comms be treated?

- Where a supplier has migrated a customer to HHS but then is unable to retrieve the data remotely to use in settlement, the meter would no longer meet the definition of an advanced meter, as set out in the licence
- We would expect suppliers to take all reasonable steps to restore the meter to advanced functionality

Is there anything that can be done about customers who do not want to migrate onto a half hourly settled contract?

- We understand at the moment these customers automatically move onto non-half hourly deemed contracts
- We are considering the issue but at the moment would like to better understand the scale of the issue (e.g. is this temporary or some customers staying on deemed contracts?)

Ofgem is the Office of Gas and Electricity Markets.

Our priority is to protect and to make a positive difference for all energy consumers. We work to promote value for money, security of supply and sustainability for present and future generations. We do this through the supervision and development of markets, regulation and the delivery of government schemes.

We work effectively with, but independently of, government, the energy industry and other stakeholders. We do so within a legal framework determined by the UK government and the European Union.

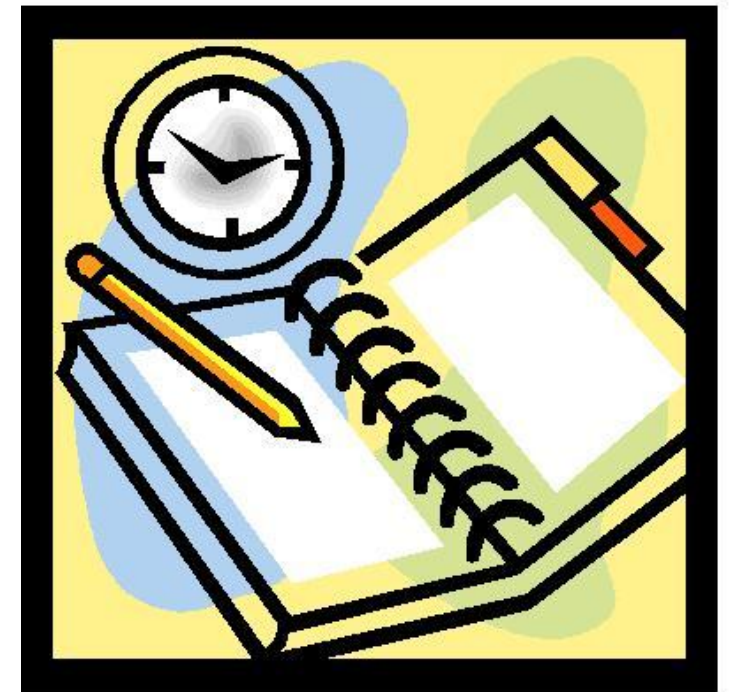


CoMC Planning

Kat Gay

Schedule

- We recommend a schedule
- In both senses:
 - A list (of MPANs)
 - A plan (of contract end dates)
- Supplier to agent
 - Primarily HHMO
- Initial schedule lists MPANs by contract end date
- Supplier then provides frequent refreshes
 - Confirm contract renewal (to current HHMO)
 - Notify loss (to current NHHMO & HHMO)
 - Notify gain (to new HHMO)
- Assumes gaining Suppliers serve as much of 28 day notice period as possible



Consolidated schedules

- By consolidating schedules from different Suppliers, HHMOAs can identify peaks and troughs
 - Highlight these to Suppliers
 - Plan resourcing
- Schedule of MPANs can also be used as a checklist by MOAs
 - Appointments/de-appointments expected but not received
 - MTD sent to HHDC
 - Final readings sent to NHHMOA etc...
- A Schedule of MPANs may be useful for HHDCs
 - MTD received
 - Successfully dialled etc...



Appointments

- The D0155 appointment flow does not include:
 - A role code
 - A CoMC indicator
- Workarounds include (combinations of):
 - Using the Contract Reference
 - Using the D0142
 - Communication outside the DTN
- Suppliers may have different working practices, different standards for Contract References, different preferences for Working Practice 66 v formal appointments
- Suppliers need to share working practices with agents up front
- Schedules can help verify appointments/de-appointments



Passwords

- Suppliers need to put in place agreements with NHHMOA to release passwords (particularly Level 3) as close to the planned de-appointment date as possible
- Especially if Supplier is using Working Practice 66 approach of informal HHDC appointments and NHHDC/NHHMOA de-appointments



Knowledge base

- Suggest that Suppliers build up a knowledge base of what their preferred HH agents can support in terms of:
 - Meter Types
 - Protocols
 - Communication methods
- Identify gaps
- Explore alternative options (e.g. other agents) to plug gaps
- Document agent-specific information requirements
- Consider carrying out change of agent ahead of CoMC if current agents not HH qualified



NHH Issues

- Suppliers could identify NHH communication issues ahead of CoMC (e.g. by checking MPANs settling on EACs, D0004 flows)
- NHHDCs can help identify 'problem sites' in advance
- These can be 'worked' during any 'troughs' between contract rounds
- If there are any!



Source: The Sydney Morning Herald

Over to you

These are ideas
from the ELEXON
“ivory tower”



But you are the
ones who are
doing it!

what
planning
activities are
working?

what do
Suppliers
need to do
more of?

what do
agents need
to do more
of?



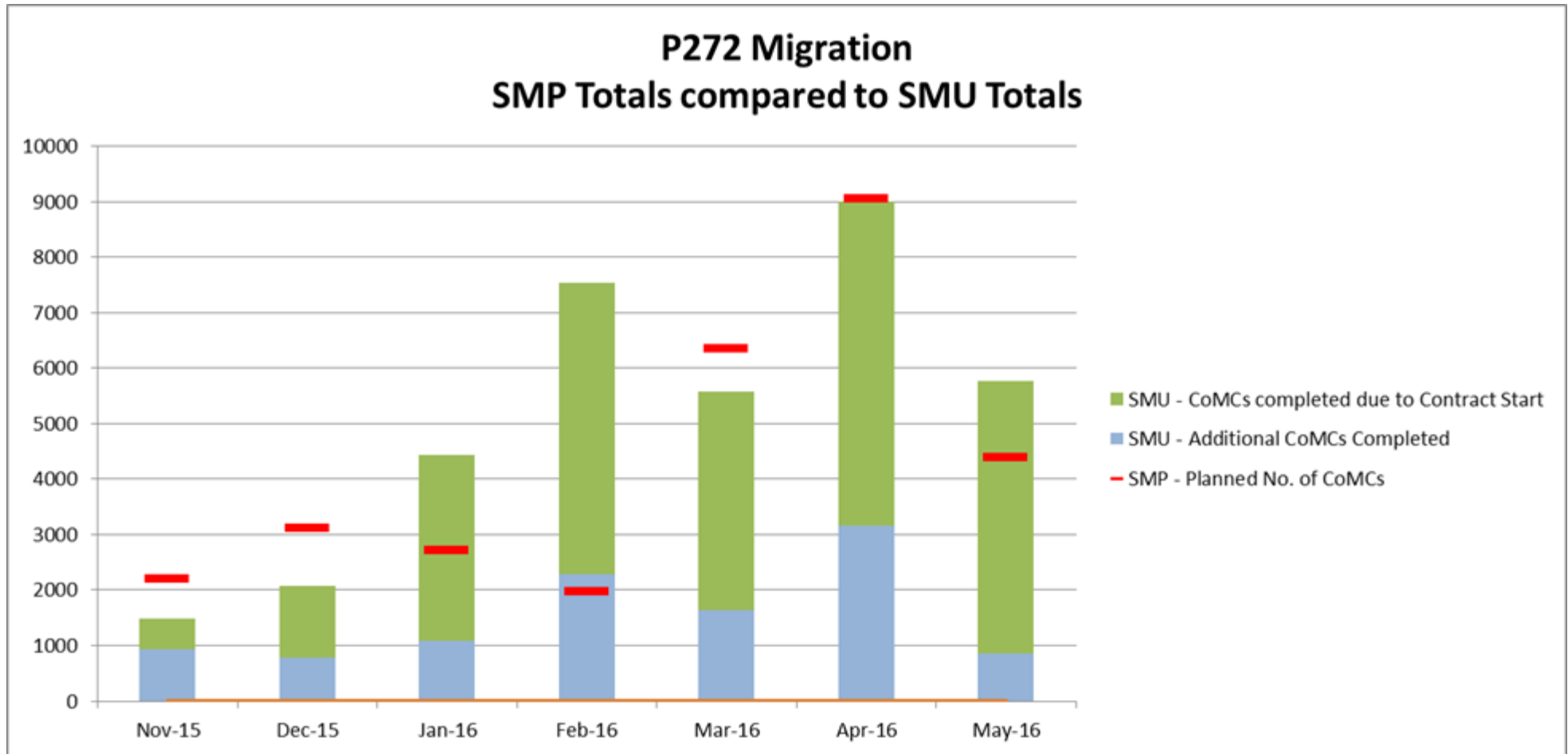
Reporting the Migration

Kat Gay

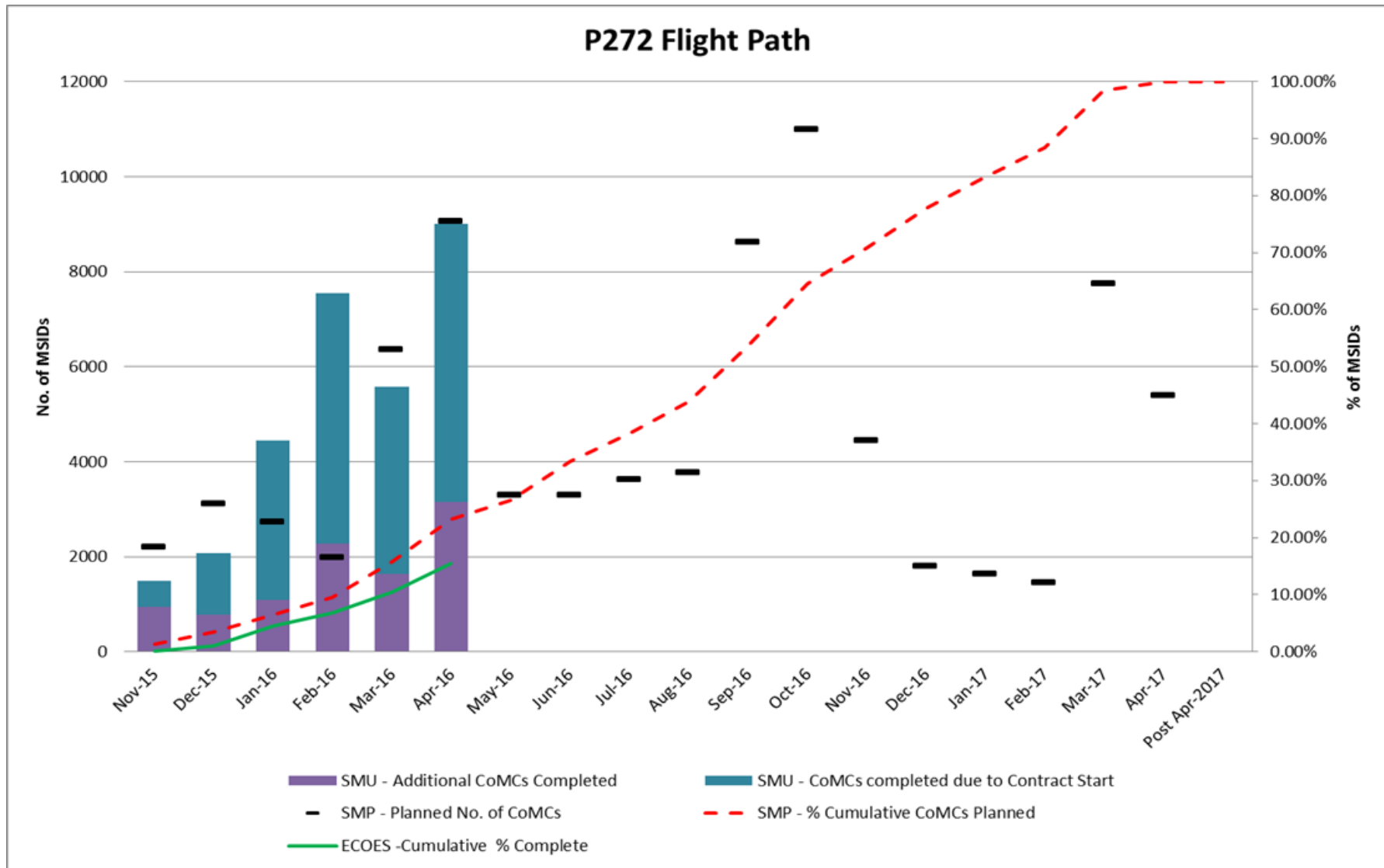
Reporting P322 – Supplier Migration Updates

	Renewal Opportunities	Renewal Losses	Renewed	New Gains	Total Opportunities	Additional CoMC activity (e.g. mid-contract CoMC)	Successful CoMC	CoMC in progress (within 45 WD)	CoMC in progress (outside 45 WD)
<i>Month</i>	<i>Number of current MSIDs with a contract expiration date within this month</i>	<i>Number of MSIDs with renewal opportunity lost at contract expiry date i.e. contract not renewed</i>	<i>Of the total number of renewal opportunities, the number of MSIDs which had a contract renewed = B - C</i>	<i>Number of MSIDs gained from another Supplier through Change of Supplier events</i>	<i>Number of MSIDs subject to the 45WD obligation to be migrated to HH Settlement this month = D + E</i>	<i>Number of MSIDs, not included in Total Opportunities, for which migration to HH Settlement has started. Eg, those on a rolling or evergreen contract, or contract with an expiration date after 1 April 2017</i>	<i>Number of MSIDs which have successfully completed migration and are registered in SMRS as HH in this month</i>	<i>Number of MSIDs which have or should have started the CoMC process, as a result of contract renewal or CoS, within the last 45WDs, but have not yet completed it</i>	<i>Number of MSIDs which have or should have started the CoMC process, as a result of contract renewal or CoS, greater than 45WDs ago, but have not yet completed it</i>
Nov-15	35	7	28	20	48	0	7	41	0
Dec-15	38	12	26	27	53	0	8	86	0
Jan-16	42	10	32	18	50	0	0	103	33
Feb-16	36	15	21	15	36	0	9	86	77
Mar-16	23	16	7	15	22	0	14	58	65
Apr-16	32	8	24	21	45	0	84	40	92
May-16	57	10	47	14	61	0	35	38	120

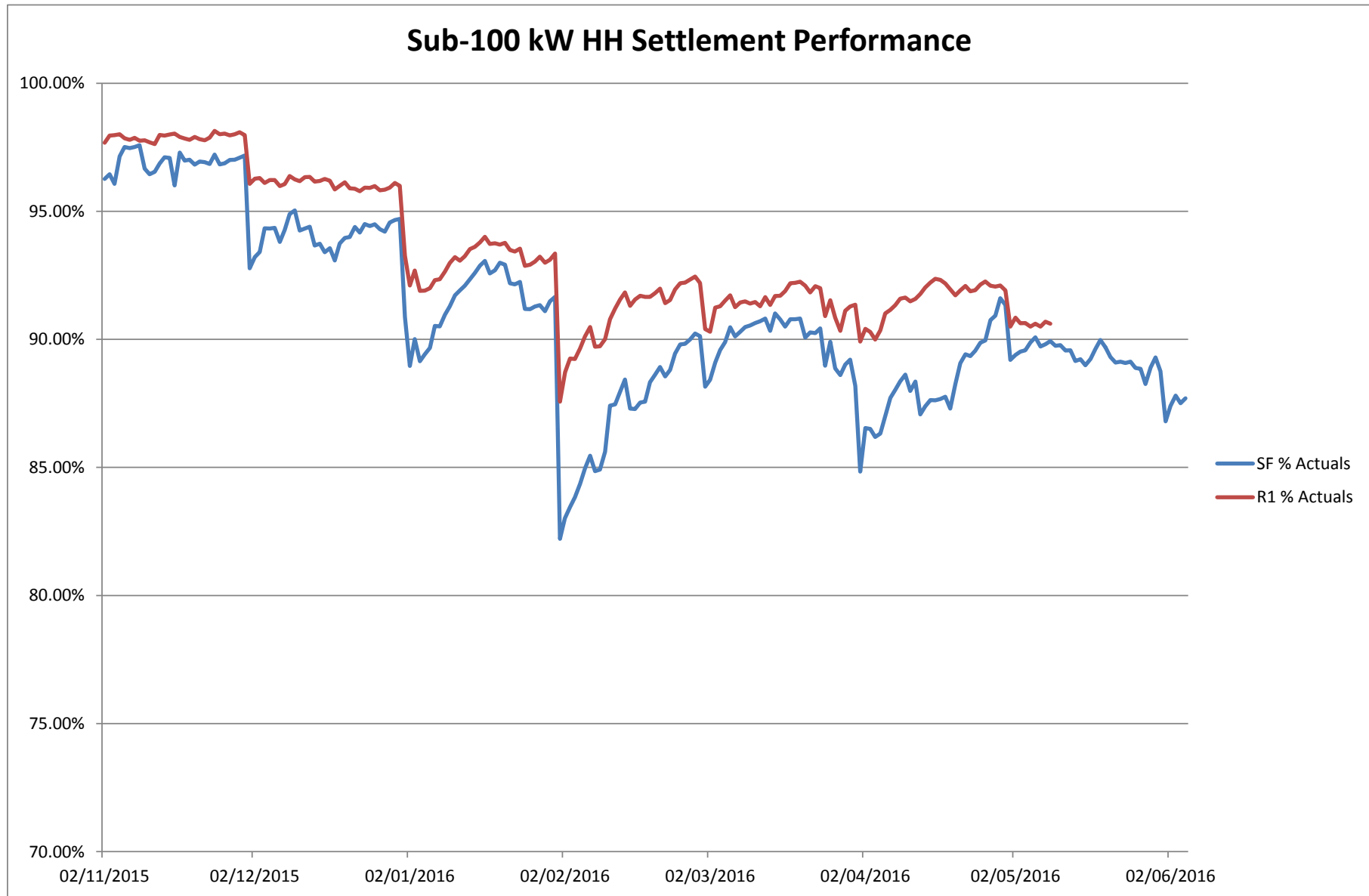
P272 Supplier Monthly Updates - Public



P272 Supplier Monthly Updates - Public



P272 Supplier Monthly Updates - Public





EFR and P322 Migration

Kat Gay

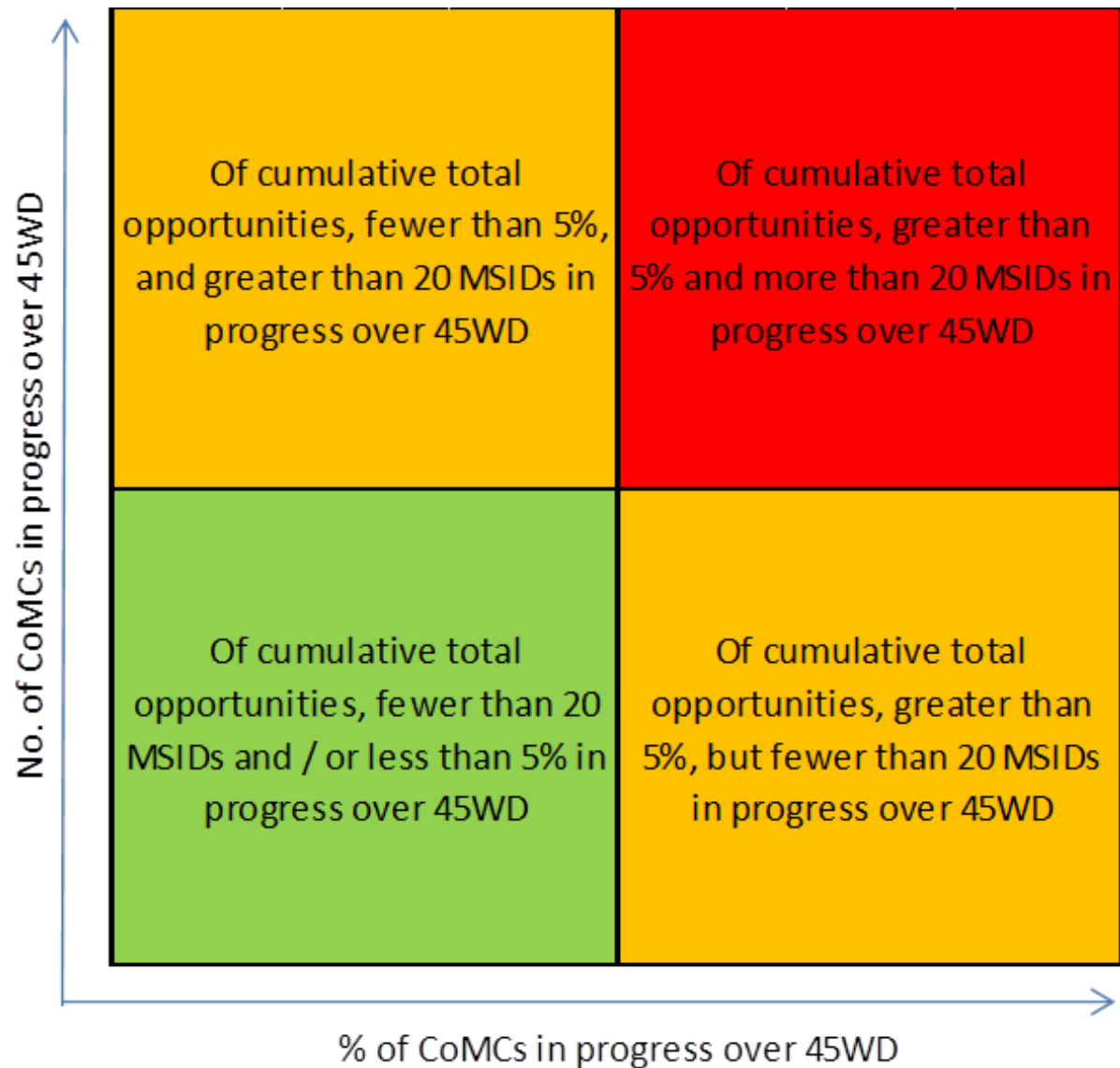
EFR and P322 Migration

- EFR used if Suppliers are not meeting the P322 requirements.
- When in EFR Suppliers need to identify why they are not meeting the P322 requirements and put plans in place to address this in the shortest possible timescales.
- The next slides set out when EFR may be switched on, how you can avoid this happening and what you need to do if you enter the EFR process.

Scenario 1 – Supplier not meeting timescales in SMP

- Agreed variance of 5% of the intended monthly migration or 20 MSIDs, whichever is the higher.
- If the Supplier is behind its targets by over the agreed variance, the Supplier is required to submit a new SMP to the PAB at the same time as its monthly update setting out the reason for the change and the impact on its migration numbers.
- If the Supplier has provided no update at all, ELEXON will assume that zero progress has been made and it is likely the Supplier will be reported as behind its targets.
- The new SMP should include the word document which provides assurances that the requirements of P322 are being met and if not, why.
- If the Supplier does not provide an new SMP, EFR can be switched on.

Scenario 1 – Supplier not meeting timescales in SMP



How to avoid EFR being switched on for Scenario 1

- Ensure that you monitor your P322 transition against your SMP and if you are off track keep up a good level of communication with your OSM.
- If you are off track by greater than 5% or 20 MSIDs (which ever is highest) make sure you submit a new SMP by the 1st of the month to ELEXON for PAB to review.
- Make sure that your agents are fully aware of your plans and any portfolio changes to avoid becoming off track with your SMU.
- Ensure that you have good processes in place both internally and with your agents for preparing sites for P322 and for dealing with any exceptions quickly so that they do not result in sites being kept in NHH, sites failing in HH or failed CoMCs.

What will ELEXON do to help in scenario 1?

- Through monitoring the migration, ELEXON understands that there are many unexpected portfolio changes or issues which can make it hard to update the SMP prior to 1 Month on some occasions.
- ELEXON and PAB agreed that in these situations if communication with ELEXON has been good and if ELEXON has a full written update by 7th of the month to provide to PAB EFR will not be switched on unless an SMP is not provided by the 1st of the next month.
- This should be only in situations of sudden changes and where communication with ELEXON has been good.
- ELEXON will monitor the P322 transition and inform Suppliers by 2nd of each month if they're off track to help avoid any misunderstandings regarding the requirements.

What is required if EFR is turned on for scenario 1?

- An EFR plan (see BSCP538 – Error and Failure Resolution) setting out why you are not compliant with the P322 timescales and what action will be taken to address the issues preventing you from complying and by when. The plan should be clear when you expect to be meeting the P322 requirements once again.
- An updated SMP- including the word document section which should reflect the information provided in your EFR plan.
- You will have 20 Working Days to prepare your EFR plan. However, as the PAB are closely monitoring the P322 migration, you will be expected to present a draft plan to the PAB at the next available meeting after EFR has been turned on.

Scenario 2 – An updated SMP is not approved by the PAB

- You are required to provide an updated SMP by 1st month if your plans change (see scenario 1).
- The plan you provide will be reviewed by the PAB.
- If the PAB determine that the plan is not acceptable they may request some revisions are made and provided back to ELEXON within 5 WDs or they may determine EFR is required (this will depend on the level of concern the PAB has about the SMP provided).

How to avoid EFR for scenario 2

- Ensure that your updated SMP is detailed, clear and fully complete.
- Ensure that the updated SMP meets the BSC provisions for P322.
- Keep a good level of communication with ELEXON so that any issues can be discussed early with ELEXON and the PAB which may avoid SMPs needing to be re-submitted.
- If you are unable to meet the P322 requirements, make this clear and set out what you are doing to address this (EFR may still be required in these circumstances but ELEXON and the PAB will have an understanding of the proactive management in place at your organisation).

What is required if EFR is turned on for scenario 2?

- If your updated SMP is not approved by the PAB and EFR is turned on, ELEXON will explain the PAB's concerns to you in a letter within 5 Working Days of the PAB meeting.
- An EFR plan (see BSCP538 – Error and Failure Resolution) setting out the PAB's concerns and what action will be taken to address them and by when. The plan should be clear when you expect to be meeting the P322 requirements once again.
- An updated SMP- including the word document section which should reflect the information provided in your EFR plan.
- You will have 20 Working Days to prepare your EFR plan. However, as the PAB are closely monitoring the P322 migration, you will be expected to present a draft plan to the PAB at the next available meeting after EFR has been turned on.

Scenario 3 – SMP numbers do not align with ECOES

- ELEXON is centrally tracking the migration using data from ECOES.
- If ELEXON identifies a variance in the numbers provided in the SMP and those provided by ECOES that is greater than 5% or 20 MSIDs (whichever is the highest) it will report this to the Supplier and request an update for the PAB.
- If this has occurred for three months and a satisfactory explanation has not been provided the PAB may decide to turn EFR on.

Scenario 3 – SMP numbers do not align with ECOES

MSID difference between total successful CoMC reported by SMU compared to CoMCs from reported via ECOES	Of monthly total successful CoMC (inclusive of successful Additional CoMC, fewer than 5% and greater than 20 MSIDs difference compared to CoMCs from ECOES	Of monthly total successful CoMC (inclusive of successful Additional CoMC, greater than 5% and more than 20 MSIDs difference compared to CoMCs from ECOES
	Of monthly total successful CoMC (inclusive of successful Additional CoMC, less than 5% and fewer than 20 MSIDs difference compared to CoMCs from ECOES	Of monthly total successful CoMC (inclusive of successful Additional CoMC, greater than 5% and fewer than 20 MSIDs difference compared to CoMCs from ECOES
	% difference between total successful CoMC reported by SMU compared to CoMCs from reported via ECOES	

How to avoid EFR for scenario 3

- Ensure that you are tracking your migrations all the way through and that the HH details have been registered in the SMRS system.
- If you have access to ECOES, check your migration numbers against these regularly and investigate any anomalies straight away.
- If you identify any anomalies, inform ELEXON and keep us updated on how your investigations are going and inform ELEXON of your conclusions when you reach them in writing.
- Ensure you respond to any correspondence from ELEXON requesting an update by the deadline we request.

What is required if EFR is turned on for scenario 3?

- An EFR plan (see BSCP538 – Error and Failure Resolution) setting out either how and when you will provide evidence to confirm that you have been providing correct information in your SMU or confirmation that you have been reporting incorrect data in your SMU and will provide an updated SMP.
- If required, an updated SMP- including the word document section which should reflect the information provided in your EFR plan.
- You will have 20 Working Days to prepare your EFR plan. However, as the PAB are closely monitoring the P322 migration, you will be expected to present a draft plan to the PAB at the next available meeting after EFR has been turned on.



Metering and Interoperability


Joy Nnamani

Interoperability issues

- Sim card/communications links
 - MOA-SIM contracts outlasting MOA-customer contracts
 - Incoming MOAs left unable to dial the Meter if they do not have a contract with the SIM provider
 - **Novate SIM contracts to incoming MOAs**
 - **Migration agreements amongst SIM providers**
 - **Replace the SIM/Meter**
- Meter preference amongst MOAs
 - MOAs trained to be able to operate one or a few Meter types but P272 could mean adopting a Meter for which a MOA is not trained to operate
 - **Widen the training given to MOAs**
 - **Replace the Meter**
- Level 3 passwords not passed on to new MOA
 - Prohibits the new MOA from remotely reading the Meter and setting the clock
 - **Create an agreement for password transfer**
 - **Replace the Meter**

Interoperability issues

- It would take a significant amount of time to put in place some of the solutions suggested (training to operate a wider selection of Meters/ SIM provider agreements)
- The costs and effort needed to resolve meter/coms issues, in most cases, outweigh the cost of equipment replacements.
- Migration has already begun without these solutions in place meaning many Suppliers/MOAs have opted to replace Meters.
- These costs are likely to be passed on to the customer.
- Timeframe: Data collection should be seamless through CoMC. P330 expects whole process to be completed within 45 days. Supplier performance impacted at R1.



Future Modifications: Elective HH Settlement

Simon Fox-Mella

Elective HH Settlement: Other useful links

- Elective half-hourly settlement: tracker

https://www.ofgem.gov.uk/system/files/docs/2016/06/elective_hhs_tracker_0.pdf

- Ofgem's Elective HH Settlement conclusions paper

<https://www.ofgem.gov.uk/publications-and-updates/elective-half-hourly-settlement-conclusions-paper>

- BSC Settlement Reform Advisory Group (SRAG) paper

https://www.elexon.co.uk/wp-content/uploads/2015/10/27_249_13A_SRAG_Report_PUBLIC2.pdf

Elective HH Settlement: Industry Changes (2 of 4)

- New Consumption Component Classes
 - [P339 'Introduction of new Consumption Component Classes for Measurement Classes E-G'](#)
- Applying Group Correction Factor to certain HH sites
 - Being considered under P339

Elective HH Settlement: Industry Changes (3 of 4)

- Additional CoMC process for smart meters
 - ELEXON-led workgroup to develop CoMC process to enable BSC and DTC changes to be raised
- Relaxation of read performance requirements
 - [P347 'Reduced R1 Read performance requirements'](#)

Elective HH Settlement: Industry Changes (4 of 4)

- Addressing overcharging for transmission charges
 - CUSC Modification Proposal [\(CMP\)266 'Removal of Demand TNUoS charging as a barrier to future elective Half Hourly settlement'](#)
- BSC specified charges
 - [P346 'Changes to the BSC Specified Charges to facilitate Elective HH settlement'](#)

Elective HH Settlement: Other useful links

- Elective half-hourly settlement: tracker

https://www.ofgem.gov.uk/system/files/docs/2016/06/elective_hhs_tracker_0.pdf

- Ofgem's Elective HH Settlement conclusions paper

<https://www.ofgem.gov.uk/publications-and-updates/elective-half-hourly-settlement-conclusions-paper>

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