

## P266 'Improving the allocation of Reactive Power flows between Import and Export Metering Systems' Consultation Responses

Consultation issued on 17 March 2011

We received responses from the following Parties:

Company	No BSC Parties / Non-Parties Represented	Role of Parties/non-Parties represented
CE Electric UK	2/0	LDSO
TMA Data Management Ltd	0/1	NHHDC, NHHDA, HHDC and HHDA
UK Power Networks	4/0	Distributor
Electricity North West Limited	1/0	Distributor
Accenture (for and behalf of ScottishPower)	5/0	Supplier, Distributor, HHDC, MOA
RWEpower	10/0	Supplier/ Generator/ Trader/ Consolidator/ Exemptable Generator/ Party Agent
Scottish & Southern Energy Plc	6/1	Supplier/ Generator/ Trader / Party Agent / Distributor
Baywind Energy Co-operative Ltd	0/1	Exemptable Generator
Western Power Distribution	2/1	Distributor, MOA

What stage is this document in the process?

01 Initial Written Assessment

02 Definition Procedure

03 Assessment Procedure

04 Report Phase

## Question 1 - Do you agree with the Panel's view that the Proposed Modification should be approved?

### Summary

Yes	No	Neutral/Other
9	0	0

### Responses

Respondent	Response	Rationale
CE Electric UK	Yes	-
TMA Data Management Ltd	Yes	The analysis shows that P266 will lead to more accurate Distribution charges
UK Power Networks	Yes	<p>Without the change proposed under P266 it would remain impracticable to differentiate correctly between instances of generation and instances of supply to the connected premises on data provided by the relevant electricity supplier and then billed to that relevant electricity supplier.</p> <p>The connection of a single premises relies on correct descriptions of the flows of electricity into and out of a premises and P266 seeks to address the flaw inherent in the current rules of metrology that cannot deliver that outcome for a premises having both export and import.</p> <p>We would urge approval of P266, now, while the distribution sector still contains relatively few exporting premises.</p> <p>A narrow window for a step change improvement in the rules for metrology exists ahead of the anticipated growth of import premises acquiring export capability. To make the change from the current flawed allocation rules to more correct rules as proposed under P266 later on would be harder to achieve and yet no less necessary.</p>
Electricity North West Limited	Yes	The proposal more accurately reflects the reactive usage at the time of such usage.
Accenture (for and behalf of ScottishPower)	Yes	The proposed solution offers the best fit available to the accurate allocation of Import and Export KvarH at this present time.

Respondent	Response	Rationale
RWEnpower	Yes	We believe the Proposed Modification P266 would help to achieve Applicable BSC Objective (c) as it would allow a more appropriate allocation of Reactive Power flows and associated DUoS charges, and provide greater transparency. Proposed Modification P266 will facilitate participation in the market.
Scottish & Southern Energy Plc	Yes	-
Baywind Energy Co-operative Ltd	Yes	Seems to be the sensible option if it is to resolve anomalies in the allocation of reactive power.
Western Power Distribution	Yes	-

## Question 2 - Do you agree that the legal text delivers the intention of P266?

### Summary

Yes	No	Neutral/Other
9	0	0

### Responses

Respondent	Response	Rationale
CE Electric UK	Yes	-
TMA Data Management Ltd	Yes	-
UK Power Networks	Yes	The proposed text clearly, in the context of Section K, explains that an export flow of electricity can be active export with accompanying consumption or production of reactive power (i.e. export with a leading or lagging power factor) and that an import flow of electricity can be active import with accompanying consumption or production of reactive power (i.e. import with lagging or leading power factor). The text self evidently is better at making the key division between flows of electricity during two modes of use, namely Generation (export) and Supply (import) than the current text which fails to

Respondent	Response	Rationale
Electricity North West Limited	Yes	<p>achieve that goal. We support the proposed text.</p> <p>This is acceptable up to a point. We have reservations from a point of view of it not being retrospective. We understand the rationale behind this but we need to understand the triggers to move from one method of DUoS billing to another.</p> <p>We made the point that we changed our systems to cater for the CDCM. We are disappointed that although the Modification Group seemed surprised that we would have major system changes if we already comply with the CDCM they did not contact our company to clarify our statement. We follow the same approach as Scottish Power (who equally raised concerns of complex system changes) and as such we compare the D0275s for the Import Export association and apply the appropriate consumption to each MPAN dependant upon whether it is exporting or importing for each HH period.</p> <p>Now because there is no retrospective or big bang approach to this change we will still need to continue to bill in this manner as well as developing new code to cater for those who have the capability and who have notified us somehow that this is the case to bill based on this proposal. We therefore need to understand what will be the triggers for such a move.</p> <p>New MPANs is self evident (or is it?). What if it is a new Export MPAN using the HH metering of the Import MPAN that is not up to the current version of the CoP? We would assume that in such instances they would need to modify the metering but it is not clear that this is the case.</p> <p>Existing MPANS – what will we receive that will allow us to automatically apply the correct Billing functionality. The change infers changes in the version of the CoP. What version has this capability and if sites already have this and do not have the functionality switched on will this need to be undertaken by the implementation date or once they have done it how do we find out? We recognise that the D0268 sends the CoP but the version number is optional so we may receive it or we may not. We therefore do not know what the starting position is let alone handle any change to a new version to build the logic to accommodate this.</p> <p>One option may be to consider making such a field mandatory and change from one billing solution to the other based on such. This solves the issue going</p>

Respondent	Response	Rationale
		<p>forward but not where we are starting from. They may need to be industry consideration to reviewing each metering point and whether it is a) the latest version or greater than the version number that is compatible and b) whether it is switch on or not so that systems can be updated.</p> <p>The mandating of J1686 - 'Meter CoP issue number' and the potential inclusion of J0461 - 'Meter COP Dispensation' would necessitate a change to the DTC and maybe the Elexon product set in the area.</p> <p>To completely unpick all the billing functionality and bill based on each individual MPAN (and as such not apply the CDCM until the correct metering functionality is installed) is not an option.</p> <p>In our opinion the high level principles seem to have been agreed but not the impact of such a decision.</p>
Accenture (for and behalf of ScottishPower)	Yes	ScottishPower are happy to accept the legal text now that it includes the suggested amendments.
RWEpower	Yes	We believe that the legal text delivers the intention of P266 and that appropriate exception criteria has been included to ensure that certain types of site are not unduly captured.
Scottish & Southern Energy Plc	Yes	-
Baywind Energy Co-operative Ltd	Yes	-
Western Power Distribution	Yes	-

### Question 3 - Do you agree with the Panel's suggested Implementation Date and implementation approach?

#### Summary

Yes	No	Neutral/Other
7	2	0

## Responses

Respondent	Response	Rationale
CE Electric UK	Yes	-
TMA Data Management Ltd	Yes	The implementation of 23/02/2012 provides enough lead time for development work.
UK Power Networks	Yes	We would prefer that the parties (customer, supplier and supplier's agents) can, if they are willing, elect to adopt P266 metrology at an earlier date to their mutual benefit if they so choose. However we accept the proposed dates if earlier voluntary implementation is not viable.
Electricity North West Limited	No	We consider that a June 2012 date should be considered based on our concerns raised above and the comments raised under question 4.
Accenture (for and behalf of ScottishPower)	Yes	ScottishPower believe that as this will only (initially) affect new registrations the proposed implementation plan does give sufficient time for all affected Parties to prepare.
RWEpower	No	<p>Given that our Party Agent has identified an 18 month lead time to implement this change we do not believe the implementation approach to be appropriate. Working to a tighter timeframe may incur additional costs and would impact on existing system/process development work.</p> <p>However, we do agree that implementation of P266 should be prospective, and apply to shared Import/Export sites which are newly registered or whose Metering Equipment undergoes a Material Change. Retrospective implementation would be onerous for participants, and we believe the requirement for sites to comply with P266 will be driven by the appropriate commercial incentive.</p>
Scottish & Southern Energy Plc	Yes	-
Baywind Energy Co-operative Ltd	Yes	-
Western Power Distribution	Yes	-

## Question 4 - Do you have any further comments on P266?

### Summary

Yes	No	Neutral/Other
4	5	0

### Responses

Respondent	Response	Rationale
CE Electric UK	No	-
TMA Data Management Ltd	No	-
UK Power Networks	Yes	<p>Much has been made in the debate on P266 about 'shared premises'.</p> <p>In relation to P266, the proposal is to refine and correct metrology as applied to the premises boundary, namely the single settlements metering point boundary.</p> <p>Neither the current rules of allocation or the proposed rules of allocation exist for the purposes of subdividing use of electricity downstream of the settlements metered connection boundary from the distributor's system.</p> <p>We wish to have on record that whilst a premises may be shared through commercial invitation by the owner/occupier, it would be fundamentally incorrect to presume that two independent persons, as constituted under the Electricity Act, can 'share' a connection.</p> <p>In simple terms a distributor cannot have two statutory customers for a given connection where one customer might breach their terms of use and the other customer not breach their terms of use. This is because the distributor might have to de-energise the breaching customer to comply with its licence and yet to do so would require de-energisation of the other customer who has not breached their terms and in doing so the distributor would breach its statutory and licence obligations to that other customer who has done no wrong. Clearly a distributor cannot place itself in that position. A distributor only offers terms of connection to one person at one time for a premises and that person is responsibly fully for the</p>

Respondent	Response	Rationale
		<p>flows into and out of that premises whether caused by their actions or of a cohabiting party on their premises.</p> <p>The fact that there is only one connected customer, generally the owner/occupier, does not preclude that owner/occupier assigning the trading of one or either of its settlement accounts to cohabiting party. Private agreement between true owner/occupier customer and the cohabitee should deal full with the consequences of interaction between consumption and generation usages within a premises that may occur.</p> <p>Nothing which is proposed under P266 precludes an existing cohabitee of an owner/occupier's premises seeking their own connection, though we note that a new connection for export would also need an account for import and therefore the current flaws in metrology with be unavoidably replicated to some extent.</p> <p>Nothing which is proposed under P266 precludes the owner/occupier establishing a licence exempt network which would support the establishment of settlement metering points within a jointly occupied premises, in which case the owner-occupier takes the role of exempt distributor in that scenario and the single statutorily connected customer, from our perspective, is the exempt distributor. Again we note that connections with the exempt network intended for export purposes would also need an account for import and therefore the current flaws in metrology with be unavoidably replicated in this case also.</p> <p>We therefore see neither the application for independent connections or the establishment of licence exempt networks as being viable or sensible as a solution.</p> <p>In the majority of cases where export and import of electricity from a premises is not currently correctly described, customers will not wish to resort to such extreme solutions, indeed as explained above such approaches in any event fail to fully address the underlying metrology problems of the current allocation rules.</p> <p>For the majority of cases the solution proposed by P266 the only viable solution.</p>
Electricity North West Limited	Yes	Clarification needs to be given over the population of data where RE and RI is relevant to one MPAN and not the other by placing a ZERO value in the flow



Respondent	Response	Rationale
		<p>otherwise we would be unaware of whether this was missing data rather than the actual value based on the flow at that point of time. This will also impact the Elexon product set. If this is not understood DNO estimating logic will be applied potentially inappropriately.</p> <p>We also raised the issue over estimating logic being undertaken by HHDCs. Any response to this seems to have been overlooked.</p> <p><i>"We need to understand if this Working Group will discuss the circumstances surrounding missing data or whether it is more for the DCUSA to investigate default values i.e. If we are separating Import/Export data should we have common rules on how estimates are calculated, potentially by the DC."</i></p> <p>The former is probably more important at this stage to avoid any disputes over estimated bills that can easily be avoided.</p>
Accenture (for and behalf of ScottishPower)	Yes	As the proposal is not retrospective ScottishPower would suggest that consideration be given to a follow up report at a date to be decided (E.G. April 2014) to analyse if any pre P266 sites have been updated to apply this methodology.
RWEpower	No	-
Scottish & Southern Energy Plc	No	-
Baywind Energy Co-operative Ltd	Yes	If the P266 solution is taken up voluntarily on existing sites then I would hope the cost of changing the metering system is not too costly.
Western Power Distribution	No	-