

## CPC00653 – Impact Assessment Responses for CP1280

### CP1280 - SVAA to provide LDSOs with aggregated consumption data for embedded Distribution Systems

#### Summary of Responses

Organisation	Capacity in which Organisation operates in	Agreement Yes/No	Days Required to Implement
The Electricity Network Company	Distributor	Yes	60 days
Independent Power Networks	Distributor	Yes	60
Scottish and Southern Energy	Supplier/Generator/ Trader / Party Agent / Distributor	Yes in principle	6 – 9 months
United Utilities	MOP	No	--
EDF Energy Networks	DNO/IDNO	No	--
Central Networks	LDSO	No	N/A
E.ON	Supplier – NORW, EELC, EENG, EMEB, PGEN	No	N/A
NPower Limited	Supplier, Supplier Agents	No	180
Scottish Power	--	No	270
CE Electric UK	LDSO	No	180
Electricity North West Limited	Distributor	No	??
Gemserv	MRASCo Ltd	Neutral	Various (see Comments)
Western Power Distribution	LDSO	Neutral	--
TMA data Management Ltd	HHDC, NHHDC, HHDA, NHHDA	Neutral	--
E.ON UK Energy Services Limited	NHHDC, DA MOA	Neutral	--
British Energy Direct Limited	Supplier	Neutral	--
EDF Energy	Supplier, NHH Agent and HH MOP	Neutral	--

#### Detailed Impact Assessment Responses

Organisation	Agreement Yes/No	Comments	Impact Yes/No
<b>The Electricity Network Company</b>	Yes	<p><b>Agree Change comments:</b> We support this change. Ultimately costs of metering at the IDNO/DNO boundaries must be borne by consumers. This proposal offers a more economic and efficient solution as IDNO connections increase.</p> <p><b>Impact on Organisation:</b> We will need to establish processes and systems to manage the data. However, we believe this is a more economic solution than the use of boundary meters or by that offered by solutions outside of Settlement.</p> <p><b>Adverse Impact:</b> No</p> <p><b>Associated Costs:</b> Costs are not known at this stage. However as a relative basis we believe the cost of this solution will be cheaper than alternative options which could require metering, data retrieval and data processing as part of the solution.</p> <p><b>Any other comments:</b> This change proposal is consistent with the proposals presented at the IDNO-DNO Working Group and rightly addresses the issue at industry level in line with Section L clause 5.2.4 of the BSC.</p> <p>We believe this is an issue that builds on the work developed by P62 and that providing an industry solution through the BSC will facilitate competition by removing the requirement for physical network barriers. It will be more economic in the long run compared to divergent solutions which could require multiple system changes, metering, data retrieval and processing costs. This central approach will ultimately protect consumers from additional costs.</p>	Yes
<b>Independent Power Networks</b>	Yes	<p><b>Agree Change comments:</b> IPNL supports this change. Additionally, the Ofgem IDNO/DNO workgroup have identified and been working towards the delivery of this solution as the preferred route. IPNL has submitted this change proposal as part of our responsibilities to this group.</p> <p>IPNL believes that the proposal provides a workable low cost industry wide solution to replace the need for costly boundary metering. We believe it offers a sustainable long term solution which will play a major role in opening up the whole market to competition in distribution. This competition has potential to bring cost savings to distribution such as in gas where average IGT prices are currently c£12 p.a. per domestic connection less than the DN equivalent charges.</p> <p>IPNL have prepared extensive analysis of the market for new electricity networks and</p>	Yes

		<p>believe this is the most robust and cost effective solution for the industry as a whole and one in which the full and active participation of all industry parties will be ensured, in order to successfully deliver the final outcome.</p> <p><b>Impact on Organisation:</b> IPNL will need to establish processes and systems to manage the change. It will also need to amend its existing DUoS billing system so that it has the capability to validate DNO bills prepared on the new basis. Currently the company has several processes and systems which have all been tailor made to meet individual DNO requirements. Movement to a single process will be less time consuming and labour intensive.</p> <p>N.B. Much of the above is expected to be necessary regardless of the outcome of this change proposal in order to address the wider aspects of changes to current boundary tariffs.</p> <p><b>Associated costs:</b> Costs are not yet known. We believe that the costs of implementing any change will be much less than the current and forecast metering charges. This proposal will provide a single workable solution rather than the current myriad of bespoke ones that are costly, labour intensive and time consuming to administer for all parties involved. As mentioned above, certain changes are anticipated regardless of the outcome of this change proposal.</p> <p><b>Any other comments:</b> Successful competition in distribution will only be achieved with the removal of unjustifiable, discriminatory and unworkable barriers to entry. The current arrangements which require metering on all embedded connections, regardless of size, constitute such a barrier to entry and are currently effectively restricting competition in distribution activities as metering charges seriously reduce and in some cases exceed IDNO income. This outcome is contrary to the objectives set out in the Licence held by distributors and Competition Law.</p> <p>The consumption of all final exit points on any distribution network is established from the registration of those exit points within Settlement. This process is tightly monitored and audited by the BSCCo. Any requirement for embedded site boundary metering is therefore an additional one presumably justified on the grounds that volumes derived from Settlement for customers on these sites are somehow less accurate than other customers. If this were the case the industry would presumably install more intermediate metering throughout the distribution system. Since this is not the case the insistence of installing metering on embedded networks is</p>	
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		<p>discriminatory and unjustifiable.</p> <p>There are currently severe practical problems in procuring metering and retrieving, processing and transmitting data with regard to embedded networks. Many distributors have separated from their metering businesses but still rely on them to install the metering. If the IDNOs procure the metering there are serious issues in retrieving, processing and transmitting this data to distributors. Each file requires substantial editing before it can be turned into a usable file for a particular distributor's DUoS billing system. An industry wide solution is required and not an ad hoc bolt on process outside of the core framework of governance. These practical issues are growing in complexity, generating increasing costs and risks as the number of embedded networks increases.</p>	
<p><b>Scottish and Southern Energy</b></p>	<p>Yes in principle</p>	<p><b>Agree Change comment:</b> We support the principle of the settlement solution which allows production of the DUoS tariff that recognise a mix of customers connected to embedded network.</p> <p>However, we believe that a change proposal should be raised to justify an improvement to a process and not on basis that there are costs to be avoided. Therefore, this proposal should be justifying an improvement on the methodology for creating DUoS tariff for embedded networks and not on the basis of cost savings. Clarification is required on how the settlement arrangements will address nested networks. And those for generation connected to IDNO embedded networks, particularly if they are exporting onto the DNO's network?</p> <p><b>Impact on Organisation:</b> Changes and cost to distribution billing systems, processes and new procedures to put in place following introduction of a new flow from Distributors.</p> <p><b>Calendar days comment:</b> Timeframe for development, testing and implementation of the required system changes within our corporate IT programme.</p> <p><b>Adverse Impact:</b> Yes, if the new mapping flow is not implemented by the November release, cost and resource implications for a workaround.</p> <p><b>Any other comments:</b> We anticipate further impacts based on the decision on how the IDNO data will be presented within the D0030 (as described in footnote 3 of the proposal). Currently, our systems can only receive one flow/settlement</p>	<p>Yes</p>

		<p>day/settlement type. We believe that further clarification and impact assessment is required on adding the IDNO data to the D0030 based on the following:          If the record format on the D0030 is kept the same, which we believe is being proposed, then we assume that the 'IDNO' data will be presented the same as the 'Supplier' data.</p> <p>For example, currently, on a D0030 that a distributor (say LDSO A) receives, the 'Supplier' data is shown as '<b>SUP   BBBB</b>' (for say a supplier with Market Participant id of four characters (BBBB). In the proposed new world, if this Supplier also operates as an IDNO within the LDSO A area and has the same four character market participant id then we assume that the Sup record for the IDNO would also be presented as '<b>SUP   BBBB</b>'?</p> <p>If this is the case, this will lead to rejection of the second set of 'BBBB' data by the Duos billing systems (assuming it to be duplicate data) or merging of two sets of data together, resulting in 'BBBB' being unable to identify the Supplier/IDNO data separately. Will this then require an MDD change?</p> <p>If this is not the case, then this appears to be a need for change to the D0030 flow. The footnote 3 seems to imply that one of the options to implement this proposal will be acceptable to the industry, irrespective of the cost.</p>	
<b>United Utilities</b>	No	No comments	No
<b>EDF Energy Networks</b>	No	<p><b>Disagree Change comments:</b> This CP makes the allegation that DCUSA acknowledges that metering may not be appropriate in all cases. This is not accurate. DCUSA allows IDNOs to propose an alternative solution to boundary metering but that solution must include certain features:</p> <ol style="list-style-type: none"> <li>1. Data to bill Use of System.</li> <li>2. Data for operation, design &amp; planning of network.</li> <li>3. Validation that the Maximum Power Requirement is not exceeded at the boundary</li> <li>4. A Mechanism for dealing with disputes and rebilling them.</li> </ol> <p>It is questionable whether this proposal meets these criteria which are contained within DCUSA Clause 42.</p> <p>In addition,</p> <ol style="list-style-type: none"> <li>1. There will need to be 14*5 mapping files. Who will manage these and deal with</li> </ol>	Yes

		<p>disputes as to accuracy of mappings? Moreover the mapping file seems to serve two purposes (related to LLFCs and Half Hourly customers) which could be difficult to design.</p> <ol style="list-style-type: none"> <li>2. Under this proposal data quality on an IDNO network will have an impact on LDSO A.</li> <li>3. Nested networks don't work at all (and such a new nested connection would need the mapping file changed to remove any HH customers (and LLFCs of others?) if boundary metering is now required on the higher boundary).</li> </ol> <p>Control issues</p> <ol style="list-style-type: none"> <li>1. Who controls the LLFC allocated to the end consumer? If the LLFC relates both to the IDNO connection and the boundary connection then its allocation by the IDNO could result in the wrong boundary tariff being applied.</li> <li>2. What if IDNO does not advise SVAA of new HH metered customer via mapping file? New connections, CoMC issues etc., or specifies the wrong LDSO A etc. in any mappings.</li> <li>3. How does LDSO A know that it has received got all of the relevant data?</li> </ol> <p>All of the risk (notably that of losses arising from these points) is on LDSO A.</p> <p><b>Impact on Organisation:</b> Charges to systems and changes to processes</p> <p><b>Adverse Impact:</b> The proposal should (but we will have no way to tell whether it is complete) provide us with metered consumption data for each meter on the IDNO's network. It will NOT include the losses within the IDNO's network so they will appear in settlements as losses on OUR network and so cost us due to perceived increased losses (over which we have no control).</p> <p>The proposal will not give us the data that we need for network management purposes. It refers to aggregating ALL data for an IDNO in an LDSO's network area into one "lump" figure. This would not enable us to see what load is being taken by which network connection for an IDNO. For example if IDNO X has 16 connections within our EPN DNO. Under the proposal all 16 would be aggregated into one figure with no clues as to how much was being used by each individual connection. Further, we would not be able to confirm that we are receiving the data that we should for each of the 16 connection points. There is no mention of managing and auditing the process – how is LDSO A to satisfy itself that it is getting data for all supplies within</p>	
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		<p>an IDNO's network.</p> <p><b>Associated Costs comments:</b> In several places, there are options suggested. Cost will vary according to which option is chosen.</p> <p>A Putting IDNO NHH data into the D0030 file.</p> <p>Option 1 Put it into the existing D0030 files, zero cost ASSUMING that it just appears as a set of records for each of the IDNOs.</p> <p>Option 2 Put the IDNO NHH data into its own D0030 file. c£25k as our systems are set up to expect only one D0030 for each Settlement Run.</p> <p>B Solution for HH Metering Data.</p> <p>The proposal states <i>"Distributors would receive HH metering data for embedded networks split across a number of D0036 files (at least one per HHDC)"</i>. This is not an issue as we usually get more than one D2075 from an HHDC each day so that is not a valid reason for not sending us copies of the D0275/D0036 sent to the IDNO. The proposal refers to SVAA receiving D0036 / D0275 files but only sending out D0036 files. Our systems do not accept D0036 files, they need D0275.</p> <p>Option 1 SVAA send D0036 files. c£50k to handle D0036 files as we currently only receive and process D0275 files</p> <p>Option 2 SVAA send D0275 files. Zero cost</p> <p>The proposal suggests creating an aggregated D0036 (or D0275 see above) for all of the HH metered load in an IDNO's network. Both D0036 and D0275 present the data as associated with ONE MPAN.</p> <p>This indicates that one non-settlement MPAN will be needed for each IDNO operator with all of the associate costs of managing those MPANs. They could not go into MPRS as they would not have any of the necessary parameters – supplier, MOP, HHDC/DA, MTC, SSC, Profile, TPR etc. To obtain the data that we need for network management, we would need one non-settlement MPAN for each IDNO connection (which we do internally at present).</p> <p><b>Any other comments:</b> There are wider issues that need to be considered:</p> <ul style="list-style-type: none"> <li>Do the costs of metering quoted consider the forthcoming smart metering roll out which will significantly change the metering and data collection infrastructure and its corresponding cost base? This cost base is to be bourn by suppliers and customers.</li> </ul>	
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		<p>the right incentives on data quality and accuracy of standing data.</p> <p>A further alternative given the changes in the metering market would be to meter at all boundary points where a smart meter would normally be fitted the LDSO under the DPCR proposals (generally substations) and to employ the above alternative approach at those IDNO connection points where the LDSO would not normally fit a smart meter. The advantage of this is its balance between risk and cost – only small IDNO connections would not be metered and, therefore, the percentage of energy being settled between LDSO on an unmetered basis would low.</p>	
<b>Central Networks</b>	No	<p><b>Disagree change comment:</b> Central Networks supports the development of a settlement based solution for charging DUoS to Embedded LDSOs where appropriate, and has been involved in the development of this concept. However we are unable to agree to the change as detailed in the red lined version of the modified BSCP508. The revised text of this BSCP only allows for the host LDSO to receive aggregated HH data via a D0036 file. Our systems will only accept D0275 files for HH data and therefore we can not agree to this change. This may be just a drafting oversight, and if the proposed changes to the BSCP were to be amended to also include the provision of the aggregated HH data to host LDSOs via a D0275 file then we would be happy to accept the change without the need for a further change proposal.</p> <p>We do have a number of further comments and queries on this proposal which are contained in the other comments section below. These would need to be clarified and resolved as part of the implementation of the change proposal.</p> <p><b>Impact on Organisation:</b> Our systems only accept D0275 files for HH data.</p> <p><b>Calendar days comment:</b> Our systems do not accept D0036 files</p> <p><b>Adverse Impact:</b> Yes</p> <p><b>Any other comments:</b> We would make the following general comments and queries on this proposal. We believe these should be addressed as part of the work to implement any change.</p> <p>The 'Mapping File' is a crucial element to the feasibility of the proposal, however no details are provided on it. Our view is that for NHH metering data such a mapping file would only work if the LLFC used by the embedded LDSO were able to identify all of</p>	Yes

	<p>the following:</p> <ol style="list-style-type: none"> <li>1. The voltage/type of end customer for host LDSO DUoS charging to the embedded LDSO</li> <li>2. The voltage of connection to the host LDSO</li> <li>3. Whether or not boundary metering is being used for DUoS purposes.</li> </ol> <p>If this is the case then the proposal could be feasible but there would clearly need to be some form of validation or audit to ensure that customers were being assigned the correct LLFC to prevent double charging or not charging at all for a particular end customer.</p> <p>The Mapping File will also be used to inform SVAA of the relevant HH MPANs to aggregate to send to the host LDSO. Again there would clearly need to be some form of validation or audit to prevent double charging or not charging at all for a particular end customer. The proposal is also unclear as to what data would be contained in the aggregated D0036 (or D0275 if the proposal is modified) – will it include kWh consumption and reactive units? DUoS charging requires us to know the number of connected end customers and, in some cases, their authorised capacities – there is no detail on how the aggregated file will provide this information and any modification of the existing form of the D0275 file will incur development costs.</p> <p>It should also be pointed out that data for HH customers is normally received by the LDSO within 1 or 2 working days. The change proposal will therefore result in a delay of 15WD in the receipt of data, and therefore billing of DUoS for HH connected end customers resulting in a cash flow impact on the host LDSO.</p> <p>The proposal is ambiguous in relation to how the SVAA will produce a NHH DUoS report (D0030) for the purposes of providing data to the host LDSO and in a footnote suggests two options – the first where the embedded LDSO data is contained in the same physical D0030 file and the second where a separate D0030 file is sent per embedded LDSO. The cost effectiveness of both these solutions needs to be a determining factor in deciding whether to implement the proposal. Our strong preference is for the first option where the embedded LDSO data is contained in the same physical D0030 report as this should require minimal system change and ongoing cost. On the other hand, because our NHH billing system will load only one file type for each settlement day, the second option of sending a separate D0030 file for each embedded LDSO will require us to operate and maintain a separate instance of the NHH billing system for each embedded LDSO for each of our licence areas.</p>	
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		Therefore to accommodate, say 4, embedded LDSOs would require us to operate and maintain a further 8 instances of our NHH billing system. This will clearly involve large expense and administrative burden as the cost of running an instance of the billing system is the same regardless of the amount of data it may be processing.	
<b>E.ON</b>	No	<p><b>Disagree Change comment:</b> It seems appropriate that the funding of this change be borne by the distributors; that the change is likely to be an optional one for the LDSOs would question the need for implementing it before the SVA funding model change necessary to isolate the change to the distributor community. Can the modification to the funding arrangements be drafted and worked into the June release? If yes, then this mod could follow in November. The initial costs may be significant with any ongoing operational costs low; the change to the funding arrangements to address ongoing costs would not ameliorate the impact on Suppliers.</p> <p>E.ON would like to see ELEXON draft a proposal to modify the funding arrangements at the earliest opportunity to allow for its development should industry consultation indicate that CP1260 is not welcomed by suppliers because of the funding issue.</p>	No
<b>NPower Limited</b>	No	<p><b>Disagree Change comment:</b> We are rejecting this Proposal due to the following reasons</p> <ul style="list-style-type: none"> <li>- The Change Proposal as drafted does not clearly outline the Cost Benefits undertaken and as such the solution appears to be expensive.</li> <li>- The Proposal does not provide sufficient details for participants to undertake an appropriate and detailed Impact Assessment</li> </ul> <p>In addition the proposed solution would not be universally implemented which would result in additional costs of maintaining two systems/processes to deal with embedded Distribution Systems</p> <p><b>Impact on Organisation:</b> Process and System Impact</p> <p><b>Associated Costs:</b> 2.5 to 5K for amendments required to SONET</p>	Yes
<b>ScottishPower</b>	No	<p><b>Disagree Change comment:</b> Although ScottishPower appreciates the issue for IDNOs, it strongly believes that this CP will not adequately address this issue and, indeed, would actually create more problems going forward than it would resolve.</p> <p>We are concerned that the justification of the CP is based on the assumption of costs saved as a result of the removal of boundary metering. ScottishPower has raised its concerns in terms of the impact on the accuracy in determining losses and the concern that DNOs could be negatively impacted via the losses incentive. The trial</p>	Yes

		<p>carried out to date to compare settlement data vs metering data has returned errors which in our view are completely unacceptable. Therefore, until a satisfactory solution to account for errors is reached and agreed amongst industry participants and the Regulator, ScottishPower does not propose to remove boundary meters, at any voltage level.</p> <p>It should also be noted that the period represented by the data supplied in the CP had been witness to vast economic expansion and record numbers of new connections. The current economic climate is very different and it is likely that there will be far fewer new connections going forward.</p> <p>It is our understanding that this CP was developed with the intention of progressing a DUoS charging proposal based on a "portfolio" approach, where IDNOs are charged depending on their mix and usage of their end users. It now appears that the CP is seeking to remove boundary metering and it is important to take into consideration that we are unaware of this approach being finalised or approved by the Regulator at time of writing.</p> <p>Furthermore the CP is predicated on the misconception that settlement flows can be used for the purposes of identifying the host DNO where there is an embedded network.</p> <p>While, superficially, this conclusion might appear reasonable, more detailed scenario modelling shows that this is not the case. The main problem is that the proposal does not account for embedded/embedded networks.</p> <p>Let us consider the following scenario:  If a DNO (A) has a separate IDNO (B) operating within it's area, and then another IDNO (C) connects within IDNO (B) area then in such a case, the current Settlement flows would not be able to distinguish whether C's sites were embedded in A or B's networks.</p> <p>While this might seem an unlikely scenario, there are already instances of large scale IDNO/Out of Area-DNO developments. Therefore, the situation may already exist or, certainly, cannot be ruled out from occurring at some point in the future.  Perhaps more importantly, not only is there nothing in the current arrangements to prevent such a situation from arising, it is very probably within the spirit of P62 and</p>	
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		<p>the Energy Act 2000 to actually facilitate it. Another major drawback with these proposals is that they seek to replace accurate information with estimated data.</p> <p>While ScottishPower recognises that this might not be a settlement concern, the same could be said for boundary meters. Moreover, ScottishPower, firmly believes in the principle of accuracy and considers it imperative that the market upholds this principle, irrespective of the data ownership: at the very least, ScottishPower would not expect the market to act in a manner that actively undermines this principle. Indeed, it is worth noting that current trends would seem to favour ever greater accuracy in the market e.g. smart metering.</p> <p>Though ScottishPower is of the view that the issues highlighted above are sufficiently compelling to reject this CP, it is clear, as the paper points out that under the current DCUSA rules alternative arrangements can be agreed between both parties we would question the value of this CP in its current form.</p> <p><b>Calendar Change comment:</b> Such a fundamental change in recording data consumed in embedded networks would require a long lead in time.</p> <p><b>Adverse impact:</b> The proposed release date is unreasonable and does not give adequate time to properly assess the impact on our systems and processes</p> <p><b>Associated costs:</b> ScottishPower would have to do an in-depth system impact analysis to properly assess costs and as such these cannot be provided at this time.</p>	
CE Electric UK	No	<p><b>Disagree Change comment:</b> We would only agree to CP1280 if it was part of a wider suite of changes which resulted in readily available embedded LDSO site boundary data at nil cost.</p> <p><b>Impact on Organisation:</b> Site Specific and Supercustomer Distribution Use of System billing systems and processes</p> <p><b>Calendar Days comment:</b> The number of days is dependent on the severity of the change to the existing D0275 and D0030 data flows.</p> <p><b>Adverse impact:</b> Yes, the level would be dependent upon the notification &amp; implementation timescales.</p>	Yes

		<p><b>Associated costs:</b> This is dependent on the severity of the change to the existing data flows. If the format and structured of the new D0275 data flow is the same as the existing D0275 data flow received from the HHDC and the IDNO data can be treated and processed in the same way as supplier data then the impact would be minimal.</p> <p>For both proposed options, the revised D0030 data flow and the second/additional D0030 data flow would have a greater impact on our current Supercustomer billing system. The current limitations of the system mean that it can only process one D0030 data flow for a specific settlement day and reconciliation type. Any change to the structure of the D0030 data flow would cause the flow to be rejected. Having implemented recent functionality changes to the billing systems an average cost of implementing these changes would be in the region of £100k (one-off fee).</p> <p><b>Any other comments:</b> As currently drafted we believe that there is not enough information to make an informed judgement on the impact on our business. As a business we prefer site specific data as opposed to aggregated data at GSP level because this enables us to better meet our licence obligations. Unless embedded LDSO MPANs are tagged to individual entry/exit points to/from the host network, the host LDSO will be unable properly to:</p> <ul style="list-style-type: none"> <li>• Verify that agreed distribution capacity has not been exceeded; nor</li> <li>• Assess power flows on network to which imbedded LDSOs are connected</li> </ul> <p>This places distributors in breach of their EQSC regulation 3 requirement to 'ensure that their equipment is sufficient for the purposes for and the circumstances in which it is used'.</p> <p>It is not clear how this proposal will address nested embedded networks. The proposal for providing half hourly data only refers to providing host LDSOs with aggregated D0036 data. Our billing systems only process the D0275 and would require a major change to process the D0036 as well or in addition to. We assume this is just an oversight in the drafting as the previous paragraphs mention both D0275 and D0036.</p> <p>It is not clear who will be paying for changes to our billing systems and the proposed changes to the SVAA resulting in no benefit to host LDSOs and every benefit to</p>	
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		<p>embedded LDSOs. Until this issue is accepted and addressed we cannot agree to this change.</p> <p>We do not consider it appropriate for any party other than the embedded LDSOs to fund these changes. Referring to the Ofgem decision document "Regulation of independent electricity network operators" (176/05) states that "<i>if the IDNO had not developed the network extension then the DNO would have been obliged to do so and no boundary would have been provided. If the cost of any mechanism was borne by the DNO then it may increase costs to end consumers. Therefore Ofgem proposes that the cost of any such mechanism should be borne by the connecting party (the IDNO).</i>"</p> <p>Finally, we are concerned that the cost analysis provided with this change proposal may not be robust enough. One example where the cost analysis would benefit from further investigation is the total cost of boundary metering. This is because the volume of new sites appears to be overstated and the cost of meters may be high in the current economic climate. We believe the cost of boundary meters may be driven down further by using a bulk competitive tendering exercise driven by the embedded LDSOs.</p>	
<b>Electricity North West Limited</b>	No	<p><b>Disagree Change comment:</b> We agree that this change is required and the proposal to provide a robust process for handling non metered Connection Points is supported. However we have reservations over the detail of the proposed solution and whether it will work in practice and the fact that it lacks detail due to its impact on the MRA.</p> <p><b>Impact on Organisation:</b> System and process changes are required.</p> <p><b>Calendar Days comment:</b> This cannot be provided until the DTC changes are known and impacted accordingly. It is recognised that this will need a separate change outside of the BSC but both need to be delivered together in order for the solution to be fully impacted and for an implementation date to be determined.</p> <p><b>Adverse Impact:</b> Whilst we support the change in principle, this approach would necessitate a business process change and a system change. If such changes are not in place before the implementation date this will have an impact on non processing of dataflows resulting in increased operating costs and cash flow implications.</p>	Yes

		<p><b>Associated costs:</b> This cannot be provided at this stage since we do not understand the detailed changes that are proposed to the DTC. Until this is known we will not be able to ascertain the system changes (on their associated costs) and business process changes deemed necessary, however we believe that the costs are likely to be outweighed by the savings to others with the removal of the requirement for boundary metering.</p> <p><b>Any other comments:</b> We need to cover off, within the Elexon Distributor audit, that the process for notification to SVAA is robust and accurate. We also believe that in order to move this proposal forward we need:</p> <ul style="list-style-type: none"> <li>• To have agreed the IDNO tariffs,</li> <li>• The voltages (all or specific) at which this (non metered) solution will be put in place to accommodate, and then</li> <li>• A workshop to discuss this proposed solution in order to develop the processes and data requirements that will be sent between each party inclusive of the DTC changes deemed necessary to support the process. This needs to be completed so that a DTC change/s can be developed and raised.</li> </ul>	
<b>Gemserv</b>	Neutral	<p><b>Impact on Organisation:</b> This change would require a DTC change to allow SVAA to send and receive D0036 and receive new "Mapping Files"</p> <p><b>Comments:</b> Changes to DTC - Implementation timescales:</p> <ul style="list-style-type: none"> <li>• From point CP is submitted to MDB decision – approximately 1 month</li> <li>• From MDB approval to implementation – standard implementation timescale for any changes to the DTC is 6 months. Changes would be implemented in line with MRA release strategy (there are three releases a year, in February, June and November).</li> </ul> <p>If it is a system change then from the date of approval, industry would need 6 months to update their systems accordingly. A procedural change would take approximately 3 months</p> <p><b>Adverse Impact:</b> It would depend on how long it would take for the new Data Flow to be created.</p>	Yes
<b>Western Power Distribution</b>	Neutral	<p><b>Change comments:</b> We believe this CP has been raised prematurely. We are currently unable to either accept or reject as no assessment has been undertaken to verify whether the tariff structure that this proposal supports is more</p>	Yes

		<p>cost reflective than the distance related version we currently have - hence whilst such data systems can be created, Ofgem are not in a position to say whether they would approve a tariff structure to use the data flows.</p> <p>Even if approval by Ofgem was received we have still not agreed a final costed solution for a system would use these flows and therefore can not state if we believe the flows, as proposed, would be suitable for them.</p> <p><u><a href="#">We recommend that this CP be withdrawn until such time as the above issues have been resolved.</a></u></p> <p><b>Impact on Organisation:</b> Changes to billing procedures and tariffs. Flow processing changes. New procedures for validating reported network flows.</p> <p><b>Calendar days comment:</b> Unable to provide a definitive answer at this stage as some factors affecting implementation are outside our direct control.</p> <p><b>Adverse Impact:</b> No, as we would continue to bill IDNOs using boundary metering until such time as all issues over use of settlement flows were resolved. Having said that, November is probably too optimistic.</p> <p><b>Associated costs:</b> As we are not able to assess this change fully we can not provide the cost impact at this stage.</p> <p><b>Any other comments:</b> There is a statement within the proposed solution which we believe is incorrect. Within the section titled "funding model" it states:  <b>"Ultimately (as explained in the business case below) this change will reduce the overall cost of the arrangements by which LDSOs receive the metering data required to operate their networks, which will benefit Suppliers and customers."</b></p> <p>Whilst it may be true that it will reduce costs to IDNOs, there is no mechanism for these reductions (if any) to be passed onto suppliers and customers unless IDNOs plan to charge lower tariffs than DNOs.</p> <p>Within the same "funding model" section it states:  <b>"We understand from ELEXON that ongoing operational costs for the new arrangements are anticipated to be low, due to its automated nature. However, if it were to emerge subsequently that there are ongoing</b></p>	
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		<p><b>operational costs to these new arrangements, a BSC Modification Proposal could be raised to allow Distributors to pay for these”.</b></p> <p>We would only support such as change if we were actually using the new flows. However, this section again highlights that the CP has been raised prematurely. We should have a clear estimate of what the cost will be and how it will be paid for, provided as part of the proposal.</p> <p>Even if the above issues are resolved, we will still have concerns about how total flows through DNO/IDNO connections can be validated against units billed, in the scenario where some connection points are metered and some are not. To address these concerns we would need to be provided with the total “settled” units for IDNOs in our GSP groups.</p> <p>Also, as use of the correct LLFC is fundamental to this change proposal we would want audit of this aspect to be included in the BSC audit scope.</p> <p>Therefore, if we could accept the concept of the CP, we would require the following:</p> <p><b>Non Half Hourly</b></p> <ol style="list-style-type: none"> <li>1. A D0030 for each IDNO/DNO with MPANS in our GSP Group, for NHH MPANS where the IDNO/DNO uses a LLFC that indicates the MPAN is connected to our network and is not covered by boundary metering. This would be one file per IDNO/DNO per settlement run. These units would be chargeable.</li> <li>2. A further D0030 for each IDNO/DNO with MPANS in our GSP Group, for NHH MPANS where the IDNO uses a LLFC that indicates the MPAN is connected to our network and IS COVERED by boundary metering. This would be one file per IDNO/DNO per settlement run. These units would not be chargeable.</li> </ol> <p><b>Half Hourly</b></p> <ol style="list-style-type: none"> <li>3. An aggregated D0036 for each IDNO/DNO with MPANS in our GSP Group, for HH MPANS where the IDNO tells SVAA that the MPAN is connected to our network and is not covered by boundary metering. This would be one file per IDNO/DNO, per LLFC, per settlement run.</li> <li>4. An aggregated D0036 for each IDNO/DNO with MPANS in our GSP Group, for all other HH MPANS owned by the IDNO/DNO. This would be one file per IDNO/DNO, per LLFC, per settlement run.</li> </ol> <p><b>Assurance</b></p> <ol style="list-style-type: none"> <li>5. BSC audit has recently been extended to cover the use of LLFC by DNOs. We</li> </ol>	
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		need assurance that this will include testing of the use of correct, chargeable/non-chargeable LLFC for embedded networks. The communication of HH information by the IDNO/DNO to SVAA should be added to the settlement risk register and also included in the audit scope.	
<b>TMA data Management Ltd</b>	Neutral	<b>No comments</b>	No
<b>E.ON UK Energy Services Limited</b>	Neutral	<b>No comments</b>	Yes/No
<b>British Energy Direct Limited</b>	Neutral	<b>Change comments:</b> British Energy support this change proposal in principle, as it satisfies objective d) of the BSC and therefore increases competition amongst both DNOs and IDNOs.  However, we would require further clarification on the exact details and impacts to be expected by Suppliers, etc. were such a change to take place. Impacts on participant systems and determining associated costs with this proposal would need to be analysed further, upon receipt of this information before a complete and satisfactory assessment can be undertaken.	Yes/No
<b>EDF Energy</b>	Neutral	<b>Change comments:</b> Although we can see that this should provide benefits to market we do wonder if a LDSO to LDSO solution could be constructed rather than impacting on SVAA. Although any such solution will be transfer of raw read data a LDSO receives from DCs rather than aggregated information it would make data available without changes to SVAA.	No

Comments on redline text

No.	Organisation	Document name (e.g. BSCPXXXX/CoPX)	Location (Section and paragraph numbers)	Severity Code (H/M/L – see below)	Comments by Reviewer
1	<b>Central Networks</b>	<b>BSCP508</b>	<b>1.2</b>	<b>M</b>	The DUoS data provided to each LDSO needs to include the option of a D0275 file for the aggregated data for HH metering systems. Our systems do not accept D0036 data flows.
2	<b>Central Networks</b>	<b>BSCP508</b>	<b>3.13.1</b>	<b>M</b>	The Mapping file is crucial to the feasibility of the proposal. There needs to be validation and audit that each end NHH customer has been allocated the correct LLFC and each HH end customer has been correctly treated to ensure that neither double charging or not charging occur. There may need to be more steps in this section to allow for validation and audit.

3	CE Electric UK	BSCP508	1.2 ii	M	Paragraph only refers to D0036 and not the D0275
4	CE Electric UK	BSCP508	3.2.15 3.3.15	M	Section only refers to D0036 and not the D0275
5	Electricity North West Limited	Proposed solution	Boundary voltages	H	This solution needs to be more clearly defined. It seems as though the intent is to deliver a non metered solution for all voltages baskets. However in the justification of change we only reference LV connections. Does this mean that a further change proposal will be necessary to move up the voltage range?
6	Electricity North West Limited	Proposed solution	NHH metered data	H	<p>It would seem sensible to bill for use of system via the use of automated data flows for all Metering Points within the LDSO's Connection Points whether they be currently metered or not. This would be conditional upon the LDSO still receiving metering data from each of the metered Connection Points in order to assess the %age variance between the non metered consumption and that of the metered consumption. This variance can then be used across the full portfolio of Connection Points in our losses reporting requirements.</p> <p>In order to ensure we can undertake such an assessment we need to capture the data associated with metered and non metered solutions. This therefore needs to be considered within the solution be it via:</p> <ul style="list-style-type: none"> <li>• a set of 'metered' and 'non metered' LLFCs, sent within the D0030, or</li> <li>• the non metered Metering Points being identified (by the mapping flow) being sent within the D0030 flow and a full set of data (metered and non metered) also being sent' or</li> <li>• a report from the LDSO of annualised advances of each Metering Point within each metered Connection Points</li> </ul> <p>The first one would mean that the mapping flow would not be required but this needs to be assessed against the impact on availability of LLFCs, whether they are used in MDD and any impact this may have on the supplier i.e. are the suggested LLFCs only available to embedded distributors and as such a mapping table is needed to match back to the customer LLFC with the IDNO using the customer LLFC in their relationship with the supplier or are these LLFCs available to the supplier</p>
7	Electricity North West Limited	Proposed solution	NHH metered data	H	<p>Footnote 3 – in our opinion our order of preference would be:</p> <ol style="list-style-type: none"> <li>1. a new (equivalent D0030) D number thereby separating Supplier billing to that of Distributor billing;</li> </ol>

					<p>2. modify the D0030 to accommodate this change;</p> <p>3. a second D0030 which could cause issues of sequencing.</p>
8	<b>Electricity North West Limited</b>	<b>Proposed solution</b>	<b>NHH metered data</b>	<b>H</b>	Once the analysis has been completed on the amendments to the D0030/second D0030 we would welcome a copy of the proposed modification through the MRA process. Do we have an indication of when this may be?
9	<b>Electricity North West Limited</b>	<b>Proposed solution</b>	<b>NHH metered data</b>	<b>H</b>	A full understanding of this solution is dependant upon the tariffs being agreed between distributor and distributor, and the impact that any new LLFs will have on the end customer e.g. is the intent to put such LLFCs in MDD (if not we will have validation issues associated with our billing systems), if so what is the impact on the supplier. Does this mean that a domestic customer on an upstream distributor's network will have a different LLFC than a domestic customer on an embedded network? It is this level of detail that needs to be understood in order to undertake an impact on potential changes to both business process and IT applications.
10	<b>Electricity North West Limited</b>	<b>Proposed solution</b>	<b>NHH metered data</b>	<b>H</b>	<p>What is in this mapping file?</p> <p>It is difficult to understand the process at this point without seeing what is included within this flow.</p> <p>We would expect such a flow being sent daily to the SVAA so that it matches off with the daily D0030 flow otherwise how would they know that there are any missing unless this is added to the distributor audit undertaken on an annual basis.</p> <p>Seeing as we believe we should have a full set of SVAA data associated with each embedded LDSO how can we differentiate between metered and non metered? By receiving a full set of data the SVAA can validate the count on the mapping file to that of the data held by the SVAA. (non metered plus metered on mapping file equals total on SVAA file)</p> <p>Based on the proposal before us it seems to infer that LDSO X needs to send a count against each LLFC to the SVAA. We suspect that the same LLFC will be used in the metered situation as well (unless there are a set of LLFCs for metered), so which set of data will be provided to LDSO A e.g. in the D0030 there are 100 on say LLFC 131 at various levels of settlement periods, and LDSO X send you 30 in the file what data will be sent to the LDSO A.</p> <p>If, as proposed later in this document, this file is only sent when there is a change, what constitutes a change and what triggers the flow e.g. at what point is a new connection added to the flow? Is it once it is energised?</p>

11	Electricity North West Limited	Proposed solution	HH Metered data	H	We don't think the HH proposal works as there is insufficient disaggregation to allow the portfolio approach to be applied and address all the tariff mix issues identified in previous IDNO charging proposals. These need to be aggregated based on the Connection Point voltage.
12	Electricity North West Limited	Proposed solution	HH Metered data	H	We do not process any D0036 data flows. We use the D0275 flows. This needs to be provided in order to process it for billing or we would have to develop a separate process to accommodate this, especially when the D0275 is being requested by the SVAA. Also we need to see the proposed modification to the D0036 and the D0275 in order to impact the necessary changes to the IT system. It would be better if such a flow was numbered separately so that we can deal with it as a separate process from that of supplier billing.
13	Electricity North West Limited	Proposed solution	Summary of SVAA changes	H	Why does this section not mention the need to change the D0030 flow? It also needs to cater for the sending of the D0275 flow (or alternative number)
14	Electricity North West Limited	Impact of core Industry documents		H	As indicated earlier please explain why this does not affect the D0030? and why the D0275 is not being obligated. It would be helpful to understand the timetable of the DTC changes which go hand in hand with this change proposal i.e. the DTC changes and the BSC changes both have to be accepted.
15	Electricity North West Limited	Implementation date		H	We believe that no Alternative Solution should be agreed to for any Connection Point until this change proposal (and that of the DTC changes) is implemented to avoid the workaround associated with an estimating process.
16	Electricity North West Limited	CP1280			This can only be impacted once the above has been developed further.