
Meeting name	BSC Panel
Date of meeting	14 August 2008
Paper title	Assessment Report for Modification Proposal P223 'Profile Administrator Service'
Purpose of paper	For Decision
Synopsis	This paper summarises the recommendations of the P223 Assessment Report.

1 Proposed Modification

- 1.1 Proposed Modification P223 seeks to improve the accuracy of the profiles used to settle Non Half Hourly (NHH) consumption, by ensuring that a random and representative sample of customers (needed to produce profiling data) is created and maintained. The proposed new P223 process is based on the 'straw man' developed under Issue 29 'Profile Administrator Model'.
- 1.2 To resolve existing difficulties experienced by the Profile Administrator (PrA) in identifying and recruiting the appropriate customers to achieve such a sample, P223 seeks to place responsibility on Suppliers to:
- Annually recruit new customers to address any shortfall or deficiency in the sample which may be identified by the PrA;
 - Replace these customers' existing NHH Settlement meters with Half Hourly (HH) capable meters; and
 - Collect HH consumption data from these meters for profiling in addition to the normal NHH data used in Settlement.
- 1.3 The Supplier has the choice to either use its own Party Agents to provide/install the necessary meters and collect the HH data (in which case the Supplier will be reimbursed for these costs), or to use the PrA's nominated agents free of charge for these services as well as normal NHH data collection.
- 1.4 Under the Proposed Modification, the New Supplier is required upon a Change of Supplier (CoS) to either retain the existing customer in the sample or to nominate a replacement customer. The PrA is responsible for identifying that a CoS has occurred and will contact the New Supplier.

2 Alternative Modification

- 2.1 Alternative Modification P223 is identical to the Proposed Modification except that, where a CoS occurs, no action is taken to retain the customer and the customer is lost from the profiling sample. The resulting shortfall in sample numbers is then taken into account in the following year's annual recruitment exercise, when a replacement customer will be recruited.

3 Assessment Report

- 3.1 Further information can be found in the full P223 Assessment Report, including:

- A high level summary of the aims, impacts, quantitative cost-benefits and qualitative merits of P223 (Section 1);
- The background to the raising of P223, including an explanation of the issues with the existing profiling process (Section 2);
- A more detailed description of the Proposed Modification and Alternative Modification solutions, their implementation costs and lead times, and the Modification Group's rationale for its recommended Implementation Dates (Section 3);
- A summary (Section 4) and the full results (Appendix 6) of the Group's analysis of the quantifiable cost-benefits of P223 for Suppliers, ELEXON and the PrA;
- The rationale for the Group's view that there would be no conflict or negative interaction between P223 and a future national smart metering roll-out (Section 5);
- The Group's views of the merits of P223 against the Applicable BSC Objectives (Section 6);
- Full details of the Group's rationale for its chosen solution requirements (Sections 7-8);
- Details of other alternative solutions considered but not progressed by the Group (Section 9);
- A copy of ELEXON's legal advice that existing Primary Legislation does not prevent the introduction of the proposed P223 requirements (Appendix 1);
- Copies of the draft legal text for the Proposed and Alternative Modifications (Appendix 1); and
- Copies of the full industry responses to the P223 impact assessment and Assessment Procedure consultation (Appendices 5 and 8).

4 Recommendations

4.1 Having considered and taken into due account the contents of the P223 Assessment Report, the Panel is invited to:

- a) **NOTE** the P223 Assessment Report and the recommendations of the P223 Modification Group;
- b) **AGREE** a provisional recommendation that Proposed Modification P223 **should not** be made;
- c) **AGREE** a provisional recommendation that Alternative Modification P223 **should** be made;
- d) **AGREE** a provisional Implementation Date for both the Proposed/Alternative Modifications of:
 - **1 December 2009** if an Authority decision is received by 27 November 2008; or
 - **1 April 2010** if an Authority decision is received after 27 November 2008 but on or before 5 March 2009;
- e) **AGREE** the draft legal text for Proposed Modification P223;
- f) **AGREE** the draft legal text for Alternative Modification P223;
- g) **AGREE** that Modification Proposal P223 should be submitted to the Report Phase; and

- h) **AGREE** that the draft Modification Report will be issued for consultation and submitted for consideration at the Panel's meeting on 11 September 2008.

Chris Rowell

Modification Secretary

List of attachments:

- Attachment A: Assessment Report for Modification Proposal P223
Attachment B: Attachment 1a to the Assessment Report – Proposed Modification draft legal text
Attachment C: Attachment 1b to the Assessment Report – Alternative Modification draft legal text
Attachment D: Attachment 1c to the Assessment Report – ELEXON legal advice on interaction with existing Primary Legislation
Attachment E: Attachment 2 to the Assessment Report – Impact assessment responses
Attachment F: Attachment 3 to the Assessment Report – Full cost-benefit analysis
Attachment G: Attachment 4 to the Assessment Report – Analysis of the number of customers which would be requested from Suppliers
Attachment H: Attachment 5 to the Assessment Report – Assessment Procedure consultation responses
Attachment I: Attachment 1d to the Assessment Report – P223 Requirements Matrix