



ISSUE 45 Scenarios

INTRODUCTION

Issue 45 was raised in relation to disputed Change of Supplier readings resulting from a disagreement between the two Suppliers about the correct number of dials on the Meter. Scenario 1 is an example of such a dispute.

At the first meeting of the Issue Group, it was recognized that there are a number of situations, where the disputed Change of Supplier reading process can be invoked due to issues relating to Meter Technical Details. In these scenarios, it is not so much the readings that are being disputed (both could be right), as the Meter Technical Details associated with the readings.

Scenario 2 (Transposed Registers), Scenario 3 (Missed Meter Exchange) and Scenario 4 (Pre-Payment Vend Readings) are further examples of disputed Change of Supplier readings resulting from inconsistent views of Meter Technical Details or register configurations.

Scenarios 5 and 6 address difficulties in processing revised Change of Supplier readings following an agreed dispute.

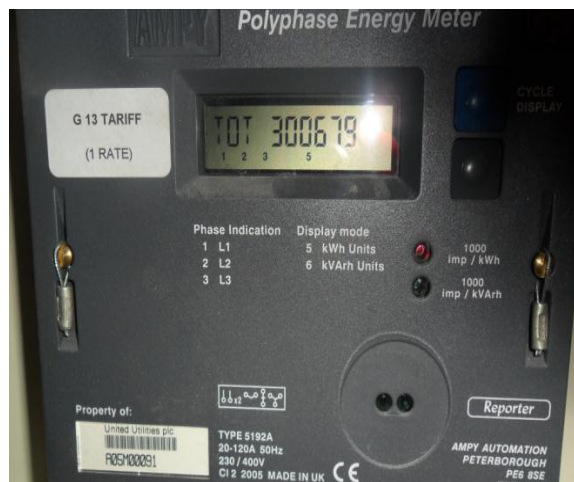
Scenario 5 relates to the situation where there has been a change of Meter and a change of NHHDC between the processing of the original Change of Supplier reading and the revised reading, following the disputed readings process. The Issue 45 group considered this scenario at the request of the Supplier Volume Allocation Group (SVG).

Scenario 6 addresses the practical difficulties of the old Supplier hub processing a revised closing reading, when the correct Meter Technical Details are agreed to be those held by the new Supplier hub.



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SCENARIO 1 – 5 DIAL/6 DIAL



Supplier	From Date	To Date
Supplier A	7/1/2005	30/9/2007
Supplier B	1/10/2007	30/9/2010
Supplier C	1/10/2010	30/9/2011
Supplier D	1/10/2011	

Today's Date	2/4/2012
Latest RF	15/2/2011
Latest DF	19/12/2009

Supplier A proposed revised CoS read (6 dial)	268424
Latest Reading (as shown on meter above)	300679

	Suppliers A/B	Supplier C	Supplier D	GSP Group Correction
Opening Read	0	22756	267150	
Closing/ current Read	22756	26715	300679	
billed	22756	3959	33529	
correct volume	227560	39590	33529	
error	-204804	-35631	0	240435
@ £51/MWh	-£10,445	-£1,817	£0	£12,262

Supplier D accepts Supplier C's closing reading of 26715.
 Supplier D takes further readings and determines that the meter is a 6-dial.
 Supplier D disputes their own CoS reading.



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OPTION A STATUS QUO (MAP CP 0135 NOT YET IMPLEMENTED)

Supplier C refuses to agree the proposed revised COS reading. Both Suppliers bill to 26715

	Suppliers A/B	Supplier C	Supplier D	GSP Group Correction
Opening Read	0	22756	26715	
Closing/ current Read	22756	26715	300679	
billed	22756	3959	273964	
correct volume	227560	39590	33529	
error	-204804	-35631	240435	0
@ £51/MWh	-£10,445	-£1,817	£12,262	£0

OPTION B OLD SUPPLIER ACCEPTS REVISED COS (MAP CP 0135)

The old Supplier (Supplier C) accepts the proposed revised (6-dial) CoS reading of 268424.

	Suppliers A/B	Supplier C	Supplier D	GSP Group Correction
Opening Read	0	22756	268424	
Closing/ current Read	22756	268424	300679	
billed	22756	245668	32255	
correct volume	227560	3959	33529	
error	-204804	241709	-1274	-35631
@ £51/MWh	-£10,445	£12,327	-£65	-£1,817

Please note that the imbalance between Supplier C and Supplier D positions is due to the difference between the proposed reading of 268424 and Supplier C's closing reading of 267150.

If Supplier C disputes their opening read with Supplier B and Supplier B accepts a revised reading of 227560, most of the liability would pass to Supplier B. But in this scenario, 12 months have passed since the opening read, so it can't be disputed. It could potentially be disputed via the Erroneously Large EAC/AA dispute as DF hasn't taken place. However, this would only be possible if an erroneously large EAC/AA was being reported.

OPTION C OLD SUPPLIER LIABLE FOR ERROR DURING OWN REGISTRATION PERIOD

A change to the current CoS rules to allow the two Suppliers to use different CoS readings. The new Supplier opens its account with the 6-dial reading of 268424. The old Supplier closes on a reading of 62346 (= Opening Read plus the 39590 units that should have been settled during its Registration).

	Suppliers A/ B	Supplier C	Supplier D	GSP Group Correction
Opening Read	0	22756	268424	
Closing/ current Read	22756	62346	300679	



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billed	22756	39590	32255	
correct volume	227560	39590	33529	
error	-204804	0	-1274	206078
@ £51/MWh	-£10,445	£0	-£65	£10,510

OPTION D OLD SUPPLIER PAYS FOR NON-CRYSTALLISED ERROR ONLY

The new Supplier opens its account with the 6-dial reading of 268424. The old Supplier pays for the error during its own registration period, but limited by RF (i.e. 15 Feb 2011 to 30 Sep 2011). So old Supplier closes on opening read plus correct volume of $39590 * (227/365) = 22756 + 24622 = 47378$.

	Suppliers A/ B	Supplier C	Supplier D	GSP Group Correction
Opening Read	0	22756	268424	
Closing/ current Read	22756	47378	300679	
billed	22756	24622	32255	
correct volume	227560	39590	33529	
error	-204804	-14968	-1274	221046.274
@ £51/MWh	-£10,445	-£763	-£65	£11,273

OPTION E ERROR IS 'SMEARED' VIA GSP GROUP CORRECTION FACTOR

The new Supplier opens its account with the 6-dial reading of 268424. The old Supplier closes its account with the 26715 reading. The error is effectively "written off" and picked up by all NHH Suppliers via GSP Group Correction.

	Suppliers A/ B	Supplier C	Supplier D	GSP Group Correction
Opening Read	0	22756	268424	
Closing/ current Read	22756	26715	300679	
billed	22756	3959	32255	
correct volume	227560	39590	33529	
error	-204804	-35631	-1274	241709
@ £51/MWh	-£10,445	-£1,817	-£65	£12,327



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SCENARIO 2 – TRANSPOSED REGISTERS

The process 'Correct Incorrect Register Mapping' is defined in BSCP504 3.3.12 and Appendix 4.10 and uses a manual flow, the P0216 – 'Notification of Incorrect Register Mapping'. The process is effectively a 'dummy meter exchange'. The question is whether the correction should be performed by the old Supplier (from the start of the error of the latest RF Run, whichever is the later) or be performed by the new Supplier at the transfer date. The latter effectively writes off the old Supplier error.

The correct readings are shown below.

Supplier	normal	low
A	450120	235600
	451120	236200
	452120	236800
B	452120	236800
	453120	237400
	454120	238000
	455120	238600

The correct energy costs are shown below.

	Supplier A	Supplier B
Normal (day) kWh	2000	3000
Normal (day) price per MWh	£52	£52
Normal (day) cost	£104	£156
Low (night) kWh	1200	1800
Low (night) price per MWh	£40	£40
Low (night) cost	£48	£72
Total cost	£152	£228

Supplier A has settled on transposed registers.

Supplier	normal	low
A	235600	450120
	236200	451120
	236800	452120
B	452120	236800
	453120	237400
	454120	238000
	455120	238600



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OPTION A OLD SUPPLIER CLOSES ON CORRECT READS

The new Supplier provides evidence that registers have been transposed by the old Supplier. The old Supplier accepts the new Suppliers readings.

Supplier	normal	low
A	235600	450120
	236200	451120
	452120	236800
B	452120	236800
	453120	237400
	454120	238000
	455120	238600

The new Supplier pays for the correct volume of units (in spite of the large positive and large negative advances), but pays too much because of the higher number of units charged at the day rate.

	Supplier A	Supplier B
Normal (day) kWh	216520	3000
Normal (day) price per MWh	£52	£52
Normal (day) cost	£11,259	£156
Low (night) kWh	-213320	1800
Low (night) price per MWh	£40	£40
Low (night) cost	-£8,533	£72
Total cost	£2,726	£228

OPTION B OLD SUPPLIER CLOSES ON INCORRECT READS

The new Supplier provides evidence that registers have been transposed by the old Supplier. The old Supplier accepts the new Suppliers readings, but is allowed to close its account on the transposed reads. This is effectively a dummy meter exchange concurrent with the change of Supplier.

Supplier	normal	low
A	235600	450120
	236200	451120
	236800	452120
B	452120	236800
	453120	237400
	454120	238000
	455120	238600



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This results in the old Supplier being charged for the correct number of units. In this example, the Supplier underpays by £10, because more units have been paid for at the lower night rate. The new Supplier pays for the correct volume.

	Supplier A	Supplier B
Normal (day) kWh	1200	3000
Normal (day) price per MWh	£52	£52
Normal (day) cost	£62	£156
Low (night) kWh	2000	1800
Low (night) price per MWh	£40	£40
Low (night) cost	£80	£72
Total cost	£142	£228

OPTION C OLD SUPPLIER PERFORMS DUMMY METER EXCHANGE

Supplier	normal	low
A	235600	450120
	236200	451120
	451120	236200
	452120	236800
B	452120	236800
	453120	237400
	454120	238000
	455120	238600

The new Supplier provides evidence that registers have been transposed by the old Supplier. The old Supplier corrects from the start of the error of the latest RF Run, whichever is the later, using a dummy meter exchange, if required.

	Supplier A	Supplier B
Normal (day) kWh	1600	2000
Normal (day) price per MWh	£52	£52
Normal (day) cost	£83	£104
Low (night) kWh	1600	1200
Low (night) price per MWh	£40	£40
Low (night) cost	£64	£48
Total cost	£147	£152

In this example, the old Supplier hasn't fully backed out the error, so underpays.



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SCENARIO 3 – MISSED METER EXCHANGE

The new Supplier's NHHDC deems a Change of Supplier reading using MTD and reading history for an old meter. The new Supplier then identifies that the meter has been replaced.

Please note that we have assumed that the 'single v multi-rate' issue, which was identified as a scenario at the 22 August meeting, would normally only arise as a result of a missed meter exchange (or incorrect MTD being provided at installation).

OPTION A OLD SUPPLIER HUB CORRECTS ERROR

The new Supplier should provide the old Supplier with evidence that there has been a meter exchange since the MTD and reading history were sent.

The old Supplier should arrange for its agents to send revised MTD and a revised reading history to the new Supplier's agents. The new NHHDC should then deem revised readings for the new meter and submit these as replacement CoS reads.

OPTION B NO OPTION B IDENTIFIED

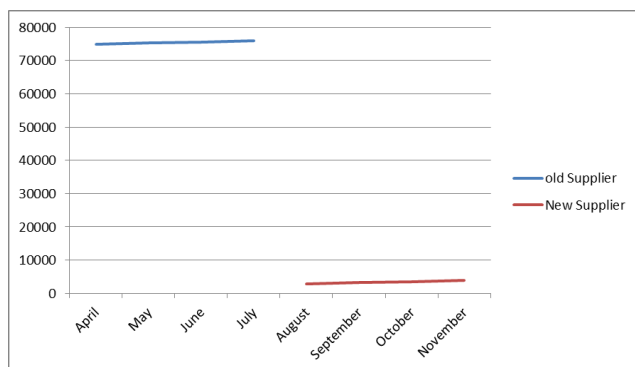
To be discussed at workshop session.



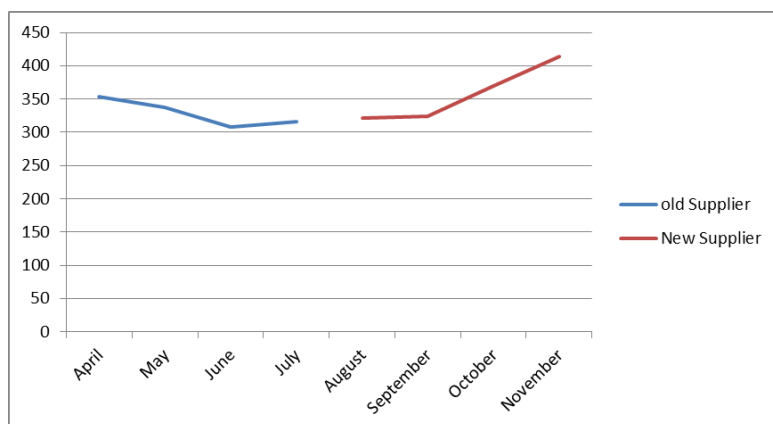
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SCENARIO 4 – PRE-PAYMENT VEND READINGS

	old Supplier	New Supplier
April	74937	
May	75275	
June	75583	
July	75899	
August		2872
September		3196
October		3566
November		3980



New Supplier proposes a change of Supplier reading of 2872. This doesn't align with the old Supplier's history. The meter is a pre-payment key meter, so it appears that the new Supplier is billing on a 'vend register' – i.e. a resettable register, rather than the total cumulative register. The meter advances show a consistent pattern.





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OPTION A SUPPLIERS USE DIFFERENT READINGS

The old Supplier closes on a total cumulative register reading. The new Supplier opens account on 'vend register' reading. The correct meter advances will be settled. The new Supplier runs risk of crediting energy whenever vend register is reset, which will be picked up by other Supplier's via GSP Group Correction.

The opposite scenario is where the new Supplier proposes a change of Supplier reading on the total register, but the old Supplier has been processing readings from a vend register. Allowing the new Supplier to open their account on the total register and the old Supplier to close on the vend register, would result in the correct meter advances being settled.

OPTION B NEW SUPPLIER MUST ACCEPT TOTAL REGISTER READING

The old Supplier provides the new Supplier with its reading history as evidence that the new Supplier's proposed reading was not taken from the total cumulative register. Subject to the provision of this evidence, the new Supplier should use a reading provided by the old Supplier (or deem forward from the old Supplier's reading history).

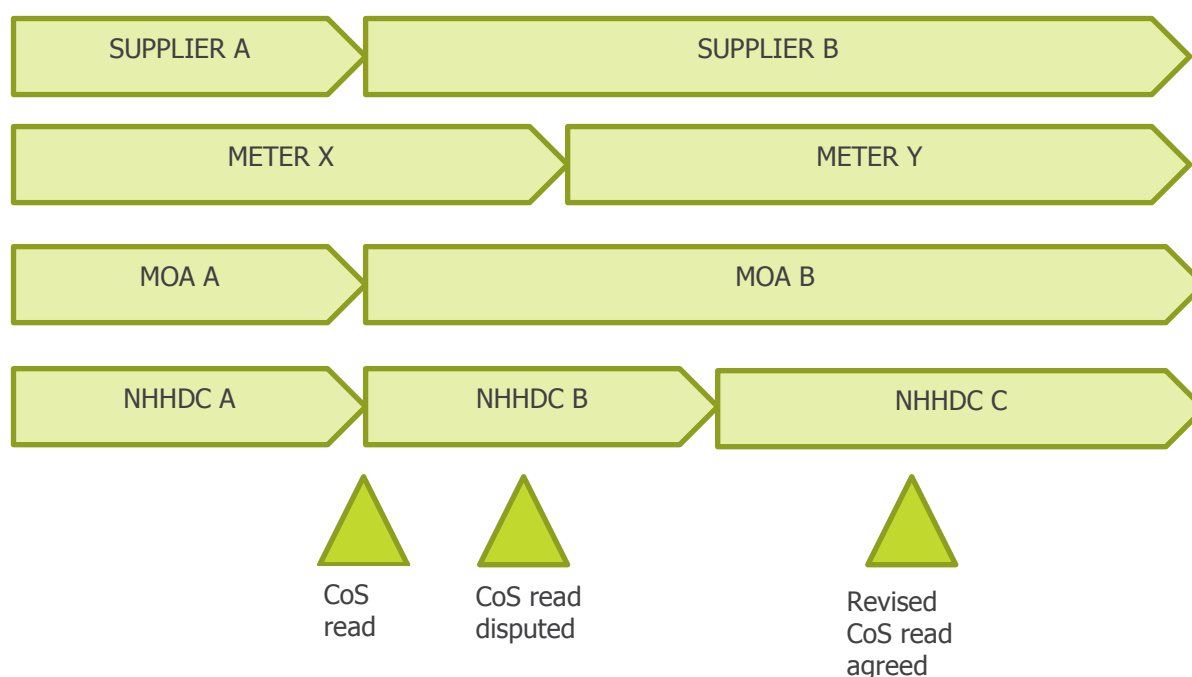
Under the opposite scenario, the new Supplier would be correctly processing reads from the total register. A requirement on the old Supplier to replace vend readings by total Register reads retrospectively, would be of little benefit as the meter advances on the vend register should be correct.



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SCENARIO 5 REVISED CoS READING AFTER METER EXCHANGE AND CHANGE OF NHHDC

At its 4 September meeting, the SVG asked ELEXON to consider this scenario with the help of the Issue 45 workgroup.



Supplier B proposes a CoS reading for Meter X.

The CoS reading is disputed.

A revised reading is agreed by Supplier A and Supplier B.

In the interim period there has been a change of meter, followed by a change of NHHDC.

On change of NHHDC –

- MOA B provides NHHDC C with the MTD for Meter Y only
- NHHDC B provides the reading history for Meter Y only

NHHDC C cannot process the revised CoS reading because –

- They haven't got any readings for Meter X to validate the revised CoS read
- They haven't got any MTD for Meter X
- They don't know the identity of NHHDC A.



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OPTION A Current Workaround

The Supplier makes a commercial decision on how to resolve the problem and

- asks NHHDC B to process the revised CoS reading; or
- asks NHHDC C to process the revised CoS reading and provides its own MTD and reading history to NHHDC C to enable the reading to be processed;
- asks NHHDC B to provide NHHDC C with the data needed to process the revised reading.

OPTION B Place new obligation on old NHHDC

Raise a Change Proposal to place an obligation on the old NHHDC (NHHDC B in this example) to process the revised CoS read.

OPTION C Amend the requirements for transferring the MTD and reading histories on change of NHHDC and change of NHHMOA

Currently the transfer of MTD on change of MOA and change of NHHDC is limited to the latest Meter. This could be changed such that the MOA has to transfer the MTD for all Meters installed during the Supplier registration. There is currently no requirement on MOAs to maintain MTD histories.

Similarly, the NHHDC would be required to transfer the entire reading history for the Supplier Registration across all Meters.

OPTION D Introduce Settlement Day NHHDC appointments

All agents with the exception of the NHHDC are appointed on a Settlement Day basis. That is, they remain responsible for data that relates to all Settlement Days during their period of appointment. NHHDCs are appointed on a Calendar Day basis. That is, the new NHHDC assumes retrospective responsibility back to the start of the Supplier registration. A Change Proposal could be raised to introduce Settlement Day NHHDC appointments.



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SCENARIO 6 EXCHANGES OF METER TECHNICAL DETAILS

Some of the solutions to Scenarios 1 to 5 require the old Supplier hub to reprocess readings using revised Meter Technical Details (MTD) from the new Supplier hub. There may be practical issues with the transfer of MTD. For example –

- There is no current mechanism for sending MTD from the new Supplier hub to the old Supplier hub (transfers are usually in the opposite direction).
- The old NHHDC or MOA may not be able to accept flows over the Data Transfer Network (DTN) after de-appointment
- The old NHHDC and MOA may not know the identity of the new MOA

It is better for both old and new agents to work from the same set of MTD, so it is assumed that the old MOA will need to pass corrected MTD to the old NHHDC and new MOA.

OPTION A REQUIREMENT TO TRANSFER CORRECTED MTD VIA DTN

A requirement on new MOA to send corrected MTD to old MOA for distribution to the old NHHDC. It may be desirable for the old MOA to send the corrected MTD to the new MOA, even though the new MOA is the source of the corrected data. The requirement will be to send the flows via the DTN

OPTION B REQUIREMENT TO TRANSFER CORRECTED MTD

A requirement on new MOA to send corrected MTD to old MOA for distribution to the old NHHDC, as in option A, but the mechanism will be left to individual participants. For example, corrected data could be sent by email to the old Supplier, who would then instruct their MOA to send a corrected D0150 and D0149.

OPTION C DO NOTHING

Old and new Suppliers agree the correct MTD and then the old Supplier resolves with old MOA and old NHHDC using own process and communications mechanism.