



## Change Proposal Circular – Collated Responses for CPC00716

### CPC00716: Impact Assessment of CP1378

#### Responses for CP1378: Alternative to CP1377 - Clarifying rules on Third Party Access on Licence Exempt Distribution Network

##### Summary of Responses for CP1378

Organisation	Capacity in which Organisation operates in	Agree?	Impacted?	Days needed to implement
Association of Meter Operators	Meter Operators	No	Yes	n/a
EDF Energy	Supplier, NHH / HH Agents	Yes	Yes	182
Electricity North West Limited	Distributor	No	Yes	30
GDF SUEZ Marketing Ltd	Supplier	Neutral	Yes	n/a
npower	Supplier and Supplier Agents (NHH and HH)	No	Yes	180
ScottishPower	Supplier, Distributor, HHDC, MOp	Yes	Yes	180
SmartestEnergy Limited	Supplier	Yes	Yes	None

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**Any Questions**

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Summary of Responses for CP1378				
TMA Data Management Ltd	HHDC, HHDA, NHHDC and NHHDA	No	Yes	30
Western Power Distribution	Distributor	No	Yes	120

Detailed Impact Assessment Responses for CP1378			
Organisation	Agree?	Impacted?	Comments
Association of Meter Operators	No	Yes	<p><b>Agree change comment – No</b></p> <p><b>For which role is your organisation impacted?</b> Meter Operators</p> <p><b>Please state what the impact is</b> n/a</p> <p><b>Lead time comment –</b> n/a</p> <p><b>Would implementation in the proposed Release have an adverse impact on your organisation?</b> n/a</p> <p><b>Associated costs comment –</b> n/a</p> <p><b>Any other comments:</b></p> <p>Unfortunately due to holidays, I have not had time to fully consider each of the CPs. However they do have impact on MOs. If you inform me of the next meeting I would like to attend, if possible.</p> <p>I have previously made representations on the 'third party access' CP that a single 'controlling mind' MO is essential if complex sites using difference metering is used. My reasons are:</p> <ol style="list-style-type: none"> <li>1 Each customer can select their own supplier <ol style="list-style-type: none"> <li>a. This is essentially the purpose of the third party access</li> </ol> </li> </ol>

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[CCC@elexon.co.uk](mailto:CCC@elexon.co.uk)**Detailed Impact Assessment Responses for CP1378**

Organisation	Agree?	Impacted?	Comments
			<p>2 Each supplier must appoint the same common HHDC</p> <p>a. A single HHDC is essential, so that they can read the 'total meter' and each sub-meter – then deduct each sub-meter from the total to make the residual for the landlord, while passing on the consumption on each sub-meter trading independently to the relevant customers. The HHDC can also estimate missing data in the full knowledge of the impact on the total site. The sum of the estimates would not be expected to exceed the 'total meter'.</p> <p>3 Each supplier must appoint the same common HHMO, a single HHMO is essential to ensure:</p> <p>a. A single HHMO has an understanding of the electrical network of the whole site to ensure that all electrical supplies are accounted for – do not want any of the installation missed from settlement or double counted. Particularly relevant when different operating regimes of the electrical network can result in different flows of energy (e.g. HV rings, LV back feeds)</p> <p>b. The one HHMO 'controlling mind' can manage different sub-deduct meters within the site being added, or disconnected or combined. Every MPAN in the site needs to be included in the single 'complex site' form. Any sub-deduct metering within the site which is connected, de-energised or disconnected needs to be correctly identified in the complex site form, otherwise under/over counting in settlement may occur. The effective from date of the complex site form is an essential method of managing the timing of changes</p> <p>c. One HHMO being accountable for the site ensures that the BSC Parties, and TAA, can attribute errors or omissions to a single HHMO and/or HHDC rather than each party blaming another.</p> <p>d. Single parties ensure more effective communication of changes.</p> <p>On that basis support CP1377, whilst rejecting CP1378.</p>

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			<p>The group should also consider if there are need to change the Metering CoPs. Through recent discussion with BSC representatives it became apparent that CoP5 Appendix A point 7 refers to 'Licensed Distribution System'. The definition of Licenced Distribution System and Distribution System within the BSC are significantly different and in this context it would appear that third party access would be better accommodated if the CoPs used the term Distribution System.</p> <p>For the similar reasons I think need to be careful over the use of the term Associated Distribution System – which would appear to cover the situation where all supplies in a block of flats are separately metered and registered in a registration system. But the risers and laterals within the building are privately owned and therefore form an unlicensed distribution system. These are very common. If a CoP10 meter were to be installed in the spa, pool, or laundry within the building CoP3, 5 &amp; 10's use of the term 'Licenced Distribution System' would appear to prevent this without a dispensation. This is not logical, or sustainable.</p> <p>The BSC allows for the publication of Draft CPs, these are less commonly used in recent years, but give an effective method of raising issues which are complex, new and may require further amendment prior to formal approval. Clearly the opportunity for SVG to amend the CP is very limited. It would probably have been worthwhile to have gone through a DCP stage first.</p>
EDF Energy	Yes	Yes	<p><b>Agree change comment – Yes</b></p> <p><b>For which role is your organisation impacted? HHMOP</b></p> <p><b>Please state what the impact is – Minor</b></p> <p><b>Lead time comment - 182</b></p> <p><b>Would implementation in the proposed Release have an adverse impact on your organisation?</b> See answer to question 3</p> <p><b>Associated costs comment – We do not have any information on associated costs</b></p>

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### Detailed Impact Assessment Responses for CP1378

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			<p><b>Any other comments:</b></p> <p>If CP1378 was to be implemented there must be obligations and timescales put on the MOP's of the individual customers written into the BSCP so that they notify any changes in a timely manner so that the boundary point MOP can amend and resend D0268 and supplementary data to maintain the correct data into settlement. We believe there may be a risk to settlement by having multiple agents involved rather than a single agent responsible for the whole site.</p>
Electricity North West Limited	No	Yes	<p><b>Agree change comment – No</b></p> <p>We understand MOP competition but initially due to the complexity of the process it would be of benefit to the process for the appointed MOP for the Third Party site to have the same MOP as the Private Network operator. Once the industry gain a better understanding and knowledge of the process then a change could be raised to allow Mop competition.</p> <p><b>For which role is your organisation impacted?</b> Distributor</p> <p><b>Please state what the impact is –</b></p> <p>We will need to know the number of customers on the Private Network who have appointed their own Supplier so we have an understanding of what data we will be receiving. This information will allow us to assess the impact on our DUOs tariffs and charging methodology.</p> <p><b>Lead time comment –</b></p> <p>Clarifying the rules has no major impact. The current processes to support Third Party Access on Private Networks are still at a high level and end to end processes need to be developed with ownership and timescales. If the solution for new Meter Timeswitch codes and Line Loss Factors are required this is at least a 6 week lead time to implementation dependent on the Market Domain schedule.</p> <p><b>Would implementation in the proposed Release have an adverse impact on your organisation?</b></p> <p>No, we would require a business workaround in place until the Third Party Access Working Group concluded</p>

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[CCC@elexon.co.uk](mailto:CCC@elexon.co.uk)**Detailed Impact Assessment Responses for CP1378**

Organisation	Agree?	Impacted?	Comments
			<p>impacts and changes required had been raised and gone through relevant change process.</p> <p><b>Associated costs comment</b> – Until there is a full understanding of the end to end process and solution and this has gone through the relevant change process we will understand the full costs.</p> <p><b>Any other comments</b> – None</p>
GDF SUEZ Marketing Ltd	Neutral	Yes	<p><b>Agree change comment</b> – Neutral</p> <p><b>For which role is your organisation impacted?</b> Supplier</p> <p><b>Please state what the impact is</b> – This will enable us to facilitate the supply to customers on a Licence Exempt Distribution Network that wish to make use of Third Party Access.</p> <p><b>Lead time comment</b> – We are already looking to use this process for customers who wish Third Party Access or who own a Licence Exempt Distribution Network that covers supplies to wish to have Third Party Access arrangements.</p> <p><b>Would implementation in the proposed Release have an adverse impact on your organisation?</b> We support this CP or CP1377 being implemented in the earliest possible release.</p> <p><b>Associated costs comment</b> – No associated cost.</p> <p><b>Any other comments</b> – While we understand the risks to settlement that having multiple Meter Operators operating within a Licence Exempt Distribution Network, we believe that these are relatively small if correct BSC procedures are followed. However we are happy to support the decision made by the SVG over which CP to progress.</p>
npower	No	Yes	<p><b>Agree change comment</b> – No</p> <p>We believe that it is essential that the same MOA and HHDC should be appointed to the Boundary and Third</p>

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## Detailed Impact Assessment Responses for CP1378

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			<p>Party Meters when using the Difference Method to ensure the accurate and timely transfer of information. There is currently no process for one MOA to inform another MOA of a change of meter other than part of a COA. So this would suggest that this is achieved via email or a similar method, until a process can be formalised this could be viewed as a risk.</p> <p><b>For which role is your organisation impacted?</b> Supplier, HHDC, MOA</p> <p><b>Please state what the impact is –</b></p> <p>As there is currently no process for one MOA to inform another MOA of a change of meter (other than part of a COA) this process would be managed via email or a similar method. Until a process can be formalised (via Dataflow) there would be a number of risks to parties and settlements.</p> <p>These changes may result in requirements to change processes internally.</p> <p><b>Lead time comment – 180</b></p> <p>Should this change be agreed there will be a need to define a new process or improve controls for the existing process to manage the transfer of data between agents and therefore believe a greater lead time is required.</p> <p><b>Would implementation in the proposed Release have an adverse impact on your organisation? –</b> Yes. see 2b.</p> <p><b>Associated costs comment –</b> Unknown at present</p> <p><b>Any other comments –</b></p> <p>Further discussions will be needed to clarify the application of DUoS and as to how the losses should be handled.</p> <p>During the review of the red line changes a potential inconsistency was identified:</p> <p style="padding-left: 40px;">The section titled 'Export on Licence Exempt Distribution Network' references on page 4 of the BSCP redline states that 'If Total Boundary Demand is positive then the Boundary Point Supplier is a net Importer, and the Total Boundary Demand should be entered in Settlement as a positive quantity of</p>

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Organisation	Agree?	Impacted?	Comments
			Active Import.' This seems to contradict a statement in the current BSCP not amended in the redline version, 'The HHDC is required to establish gross energy for the site for each settlement period. This is achieved by applying the aggregation rule to the metered data values. If the resultant value applied to the rule positive, the site is exporting, and the import value is zero.'
ScottishPower	Yes	Yes	<p><b>Agree change comment – Yes</b> We agree with the proposer's view that in order not to restrict competition then HH customers should have the right to choose their own MOA. We also agree that for all such sites the same HHDC should provide the requisite information.</p> <p><b>For which role is your organisation impacted?</b> Supplier, Distributor, HHDC</p> <p><b>Please state what the impact is –</b> HHDC will require to have in place processes that will allow them to provide both the Supplier and Distributor with accurate information which will enable them to bill their customer accordingly. We believe that difference metering, even though this will require a metering dispensation, is the most appropriate way forward. From a Distribution point of view we would expect to see MPIDs in respect of both the Exempt Network Operator and the customer(s) who have opted to appoint their own supplier. Such a split will allow the correct DUoS charges to be applied to each relevant supplier. This split would also allow each Supplier to receive accurate information on behalf of their respective customers and enable them to provide accurate Supply bills.</p> <p><b>Lead time comment – 180</b> Given that there may be some system changes required our preference is to have a 6 month lead time prior to the change going live.</p> <p><b>Would implementation in the proposed Release have an adverse impact on your organisation?</b> No adverse impact</p>

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			<p><b>Associated costs comment – n/a</b></p> <p><b>Any other comments –</b></p> <p>Regardless of who is appointed as MOp it is essential that all due processes should be applied. By due process, we would expect the site to have an appropriate settlement mpan, which will allow DUoS charges etc. to be applied correctly. In addition we need to ensure that any CT's/VT/Multi-core requirements meet the relevant Code of Practice and that test certificates are provided for the CT/VT ratios in order to avoid any non-compliance at future TAA audits.</p>
SmartestEnergy Limited	Yes	Yes	<p><b>Agree change comment – Yes</b></p> <p>We agree with the changes common to both CP1377 &amp; CP1378 as we believe they will introduce efficiencies into the process. However, in respect of CP1378 compared with CP1377, we would add the following:</p> <p>Since there is full competition for Meter Operators, this allows them to be contracted with the energy supplier by either the supplier's discretion or at the customer's direction.</p> <p>I&amp;C customers are accustomed to signing portfolio wide Meter Operator agreements in order to obtain competitive pricing and would not be getting best value for money if they were forced to sign on-off Mop agreements for specific sites with Meter Operators with whom they do not have other agreements. Such choice is therefore in the interests of competition.</p> <p><b>For which role is your organisation impacted?</b> Supplier</p> <p><b>Please state what the impact is –</b></p> <p>Our portfolio customers who wish to include other sites which are currently on embedded networks will be able to add those sites to the portfolio we supply. This Change Proposal, in common with CP1377, removes the need for additional applications for dispensations where the settlement metering is not directly connected to a licensed distribution network. Therefore, this is in the</p>

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			<p>interests of competition.</p> <p><b>Lead time comment -</b></p> <p><b>Would implementation in the proposed Release have an adverse impact on your organisation?</b></p> <p>No notice is required</p> <p><b>Associated costs comment – n/a</b></p> <p><b>Any other comments –</b></p> <p>Whilst it may appear to appear to Elexon that it is the Supplier who is appointing the Meter Operator, in reality, it is a contractual agreement between customers and their Mops. We understand there are concerns amongst other participants that confusion would arise from having two Meter Operators, however, CP1378 still proposes having a common DC (specially accredited) and it is the DC who will coordinate the arrangements.</p> <p>As stated in red-lined BSCP514, the HHMOA at the Boundary Point of the private network will need to maintain the complex site supplementary information to allow the HHDC to correctly difference the consumption between Boundary Point Meters and Third Party Meters.</p>
TMA Data Management Ltd	No	Yes	<p><b>Agree change comment – No</b></p> <p><b>For which role is your organisation impacted? HHDC</b></p> <p><b>Please state what the impact is – Procedure</b></p> <p><b>Lead time comment - 30</b></p> <p><b>Would implementation in the proposed Release have an adverse impact on your organisation?</b></p> <p>No</p> <p><b>Associated costs comment – Low cost</b></p>

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Organisation	Agree?	Impacted?	Comments
			<b>Any other comments</b> –n/a
Western Power Distribution	No	Yes	<p><b>Agree change comment</b> – No</p> <p>We believe that allowing multiple MOAs to operate sites on a license exempt network will increase the risk to settlements.</p> <p>Under the proposals the MOA appointed to the boundary point meter retains responsibility for maintaining the complex metering details for the network to ensure settlement is correct. However, this MOA will now be dependent on another MOA providing them with data to be able to undertake this task. This extra step increases the risk of errors and it is unclear how the MOA appointed to the boundary point can ensure another MOA provides them with the data needed.</p> <p><b>For which role is your organisation impacted?</b> LDSO</p> <p><b>Please state what the impact is –</b></p> <p>We believe the change proposal increases the risk of settlement error and therefore risks resultant inaccuracy in DUoS charges</p> <p><b>Lead time comment</b> – 120</p> <p>Would need to consider introduction of additional controls to confirm accuracy of DUoS billing data for MPANS connected to a license exempt network.</p> <p><b>Would implementation in the proposed Release have an adverse impact on your organisation?</b></p> <p>Yes - We will not be able to design and build in the additional safeguards we think will be necessary to deal with the increased risk of DUoS errors by November 2012. February 2013 would be achievable provided a decision on this CP is made by end of September</p> <p><b>Associated costs comment</b> –</p> <p>Unknown at this stage but probably &lt;£10,000</p>

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			<b>Any other comments –</b> Whilst we recognise this CP gives a benefit of increased competition we think there is an increased risk to settlements due to it. This risk could be reduced if BSCP514 section 5 was changed to provide detailed interface and timetable information to make the interactions between multiple MOAs clear.

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Comments on the redline text CP1378					
No.	Organisation	Document name	Location	Severity Code	Comments
1.	npower	BSCP502	Page 4	L	During the review of the red line changes a potential inconsistency was identified: The section titled 'Export on Licence Exempt Distribution Network' references on page 4 of the BSCP redline states that 'If Total Boundary Demand is positive then the Boundary Point Supplier is a net Importer, and the Total Boundary Demand should be entered in Settlement as a positive quantity of Active Import.' This seems to contradict a statement in the current BSCP not amended in the redline version, 'The HHDC is required to establish gross energy for the site for each settlement period. This is achieved by applying the aggregation rule to the metered data values. If the resultant value applied to the rule positive, the site is exporting, and the import value is zero.'
2.	npower	BSCP514	Page 4	L	During the review of the red line changes a potential inconsistency was identified: The section titled 'Export on Licence Exempt Distribution Network' references on page 4 of the BSCP redline states that 'If Total Boundary Demand is positive then the Boundary Point Supplier is a net Importer, and the Total Boundary Demand should be entered in Settlement as a positive quantity of Active Import.' This seems to contradict a statement in the current BSCP not amended in the redline version, 'The HHDC is required to establish gross energy for the site for each settlement period. This is achieved by applying the aggregation rule to the metered data values. If the resultant value applied to the rule positive, the site is exporting, and the import value is zero.'

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