MP No: 302

(mandatory by BSCCo)

Title of Modification Proposal (mandatory by originator)

Improve the Change of Supplier Meter read and Settlement process for smart Meters

Submission Date (mandatory by originator)

16 May 2014

Description of Proposed Modification (mandatory by originator)

This Modification proposes changes to the process for the generation of a Change of Supplier (CoS) reading for Non Half Hourly (NHH) Metering Systems as detailed in BSC Procedure (BSCP)504 'Non-Half Hourly Data Collection for SVA Metering Systems Registered in SMRS', BSCP514 'SVA Meter Operations for Metering Systems Registered in SMRS' and also BSC Section S Annex S-2 'Supplier Volume Allocation Rules' paragraph 4.3.13 to reflect the enhanced functionality that smart Meters provide. These changes will facilitate passing timely and accurate consumption data into Settlement, while also facilitating improved customer billing processes for Suppliers.

It is proposed that the <u>Issue 53</u> 'Reforming the Change of Supplier meter read process for smart electricity meters' solution is taken forward by making the following changes to the existing process:

- Amend the requirements in Section S Annex S-2 4.3.13 so that for Data and Communications Company (DCC) serviced smart Meters the Estimated Annual Consumption (EAC) would be provided by the new Supplier to the new Non Half Hourly Data Collector (NHHDC). This is in contrast to the non-smart CoS read process whereby the old NHHDC provides the EAC to the new NHHDC.
- The old and new Suppliers will each obtain readings from a smart Meter taken at the same point in time and pass those reads to their respective NHHDCs for validation and use in creation of Annualised Advances (AAs) for Settlement. This contrasts with the non-smart process where the new NHHDC generates the CoS reading and sends this to the old NHHDC.

Consideration will need to be given to appropriate process assurance to ensure that the processes do not result in missing or overlapping consumption data.

- The new Supplier will confirm the configuration of a smart Meter on Change of Supplier and notify the Standard Settlement Configuration (SSC) and Meter register configuration to the NHHDC and the Non Half Hourly Meter Operator Agent (NHHMOA).
- The requirement to transfer Meter Reading History from the old NHHDC to the new NHHDC would be retained, but only utilised where relevant meter readings can not be obtained from a smart Meter (for example due to communications issues). In such cases existing process for generating CoS readings would be followed.

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• The new Supplier will need to be aware whether or not there is a smart Meter and notify its NHHDC and NHHMOA as to whether they need to follow the smart or non-smart CoS process as appropriate through changes to the D0155 'Notification of Meter Operator or Data Collector Appointment and Terms' dataflow.

Consideration will need to be given to the appropriate method to deal with situations where an incorrect process has been followed, or where Meter readings can be obtained from a smart Meter after the non-Smart processes have been followed and generated a CoS reading.

Description of Issue or Defect that Modification Proposal Seeks to Address (mandatory by originator)

The existing Non Half Hourly (NHH) CoS process is complicated, relying on multiple information flows being sent between new and old Suppliers and Supplier Agents. The number of data flows being sent makes the process prone to error. When the data flows are not sent or cannot be processed by the recipient, delays occur which can result in inaccurate data entering Settlement. The costs of resolving these delays and process errors are borne by Suppliers, Supplier Agents and ultimately consumers. More broadly, the complexity of the process and the time allowed for agent appointment and the exchange of data, leads to a lengthening of the transfer process overall.

Ofgem's CoS Project, a work stream within its 'Promoting smarter energy markets' work programme, has the objective of delivering a "fast, reliable and cost effective CoS process that will facilitate competition and build consumer confidence". In the context of this, Ofgem is considering reforms to support next day switching. Ofgem has engaged with a range of stakeholders through its Change of Supplier Expert Group (COSEG) and identified a number of reform options, which take advantage of the opportunities presented by smart metering and the advent of the DCC. Such reforms include reducing the reliance of the CoS process on agent appointment and data transfers between Suppliers and their agents.

Ofgem wrote an open letter to the BSC Panel on 6 December 2013, highlighting and welcoming a new Issue to look at these process reforms. Following this letter, Issue 53 was raised by EDF Energy.

The Issue 53 Group considered changes to the CoS process that will ensure that the old and new Supplier have all the tools and information they need to obtain and process their respective CoS Meter reads for billing and Settlement.

The solution the Issue 53 group considered will remove the dependencies between:

- the smart CoS Meter read process and the agent appointment processes, as the CoS read will be obtained by the old and new Suppliers through accessing the smart Meter via the DCC; and
- the old and new Suppliers as they will obtain a closing and opening CoS Meter reading separately by accessing the smart Meter via the DCC.

The Group concluded that for DCC registered smart Meters, the process will work and improve the efficiency of the CoS read process, helping to realise the benefits of the rollout of smart Meters. To take this solution forward this Modification is being raised to make changes to the requirements related

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to Change of Supplier in Section S Annex S-2 so that for DCC serviced smart Meters the EAC would be provided by the new Supplier to the new NHHDC in contrast to the non-smart CoS read process whereby the old NHHDC provides the EAC to the new NHHDC.

In addition to fully realise the solution considered by the Issue 53 Group, changes are required to BSCPs to amend the CoS read process steps. The changes will set out the CoS read process to follow when a CoS event occurs involving a DCC serviced smart Meter.

Impact on Code (optional by originator)

This Modification will impact BSC Section S Annex S-2 4.3.13, which will require amendment to reflect that, for DCC serviced smart Meters, the EAC would be provided by the new Supplier to the new NHHDC in contrast to the non-smart CoS read process whereby the old NHHDC provides the EAC to the new NHHDC.

Impact on Core Industry Documents or System Operator-Transmission Owner Code (optional by originator)

This Modification may have impacts on the Data Transfer Catalogue administered by MRASCo, specifically the D0155 flow

Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties (optional by originator)

No impacts on BSC Systems identified.

Impact on other Configurable Items (optional by originator)

Changes to the following BSCPs will be required to capture the process steps and activities associated with the smart Meter CoS process considered by the Issue 53 solution:

- BSCP504 'Non-Half Hourly Data Collection for SVA Metering Systems Registered in SMRS'; and
- BSCP514 'SVA Meter Operations for Metering Systems Registered in SMRS'.

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Justification for Proposed Modification with Reference to Applicable BSC Objectives (mandatory by originator)

This Modification will help ensure that the benefits that smart Meters are expected to provide are applied to the CoS process.

In doing so it will better facilitate Applicable BSC Objective (c) 'Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity' by reducing the complexity and associated cost of the Change of Supplier process for smart Meters, making customer switching and accurate allocation of energy between Suppliers a simpler, less onerous and more timely process.

This Modification will also better facilitate Applicable BSC Objective (d) 'Promoting efficiency in the implementation of the balancing and settlement arrangements' by ensuring that the CoS meter read process for smart Meters can utilise the enhanced functionality that smart Meters will provide. The proposed changes will reduce the amount of data transfers required between NHHDCs which will improve the efficiency of the process as well as the timeliness and accuracy of the data being used in Settlement for smart Meters serviced by the DCC.

Is there a likely material environmental impact? (optional by originator)

No

Urgency Recommended: Yes / No (delete as appropriate) (optional by originator)

No

Justification for Urgency Recommendation (mandatory by originator if recommending progression as an Urgent Modification Proposal)

n/a

Self-Governance Recommended: Yes / No (delete as appropriate) (optional by originator)

No

Justification for Self-Governance Recommendation (mandatory by originator if recommending progression as Self-Governance Modification Proposal)

n/a

Fast Track Self-Governance Recommended: Yes / No (delete as appropriate) (optional by originator)

No

Justification for Fast Track Self-Governance Recommendation (mandatory by originator if recommending progression as Fast Track Self-Governance Modification Proposal)

n/a

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Should this Modification Proposal be considered exempt from any ongoing Significant Code Reviews? (optional by originator in order to assist the Panel decide whether a Modification Proposal should undergo a SCR Suitability Assessment)

Yes. This Modification does not interact with the current Electricity Balancing Significant Code Review.
Details of Proposer:
NamePaul Saker
OrganisationEDF Energy
Telephone Number07875110937
Email Addresspaul.saker@edfenergy.com
Details of Proposer's Representative:
NamePaul Saker
OrganisationEDF Energy
Telephone Number07875110937
Email Addresspaul.saker@edfenergy.com
Details of Representative's Alternate:
NameDavid Morton
OrganisationEDF Energy
Telephone Number0129 389 8667
Email addressdavid.morton@edfenergy.com
Attachments: Yes / No (delete as appropriate) (mandatory by originator)
No