

P322 – Detailed Proposals

Problem: Suppliers must migrate sites classed as PC 5 – 8 with AMR meters installed to half hourly settlement, with the minimum of disruption to customers, settlement and industry processes.

Objective: to propose new arrangements to migrate sites classed as PC 5 – 8 with AMR meters installed to half hourly settlement within a period that allows for an orderly and timely transition. The arrangements should give Ofgem, Elexon, Customers and Industry confidence that suppliers will complete the transition in time so will require reporting and remedial actions in the event that suppliers do not meet the plan.

Features

- Start date
- An implementation approach, which supersedes the existing P272 implementation approach and subject to the Authority amending the P272 Implementation Date to align with the required end date
- Identify sites
- What will happen to those sites
- How
- By when (end date)
- Mitigation of the risk of too many migrations too quickly
- Mitigation of the risk of disruption to customers by migration to another settlement class midway through a contract
- Performance Monitoring, most likely through the existing Performance Assurance Framework (PAF), such as the Error and Failure Resolution (EFR) process overseen by the Performance Assurance Board (PAB), with enhanced reporting as is being considered under P320

Issues

The BSC has no concept of contracts; it deals with settlements. A proposed modification should not use contracts but focus on reporting on supplier's performance against a plan. This would allow for suppliers to adopt their own migration strategies as long as they completed it by the end dates.

Outline Proposed Modification (not italics)

"From [Date X(5th November 2015)] suppliers are required to commence the planned migration to HH settlement and the migration must be completed by [date y]. Suppliers can of course start the migration earlier than [Date X] if they wish. (*This is a start date and statement of intent and gives an implementation period that allows suppliers to carry out a change of measurement class at for these sites at contract renewal time or earlier.*)

By [1 July 2015] suppliers must submit plans for migration to the Performance Assurance Board for approval. (*This provides the Panel, using its delegated authority to PAB, to assess suppliers' migration plans, to satisfy it that the plans are achievable and protect the integrity of NHH and HH settlement*) Under this modification the PAB is granted powers a) to approve/reject Suppliers plans and subsequent variations to the plans, and b) to apply all

measures under the Error and failure Resolution (ERF) procedures in order to rectify any non-compliance.

Suppliers are required to submit monthly progress reports to the PAB, comprising, as a minimum, the number of conversions to HH completed in the month and the corresponding number required under their approved plan, and the total number still outstanding. The PAB can request further details from the Supplier at its discretion.

The Performance Assurance Board will monitor each supplier's performance against its plans and report overall progress to the BSC Panel regularly. When a party is failing to deliver the planned HH conversions, or is failing to cooperate, the PAB will apply the appropriate performance assurance techniques. Such techniques will include, but not be restricted to, requesting further detailed information on a Suppliers progress, requesting senior management present to PAB the reasons for failure and the steps to be taken to return to plan, escalating the Supplier to Panel which could lead to further serious steps if still unsatisfactory such as referral to Ofgem and, in the limit, the removal of Supplier qualification under the BSC. *(The PAB will assess a supplier's against the plan and can recommend remedial action when required. In cases where a supplier may not achieve its plan or when the Panel has concerns about a performance it shall apply the ERF escalation process, including escalation to the Panel and then to Ofgem. PAB may want to set metrics for performance and to achieve a known proportion of COMCs on contract renewal or at a different time by an agreed date. The Panel would report to Ofgem on matters of concern).*

Also Date [X] will be 5th November 2015 (P300 implementation); [Y] will be a time to allow all/most customers to move at contract renewal. Suppliers may need to provide Ofgem with their plans to no longer contract with PC 5 – 8 customers on NHH agreements.