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Issue 85 "Removal of BSCP504 obligation on the NHHDC to visit de-energised sites once every 12 months"

Workgroup 2

10 December 2019
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Agenda & Meeting Objectives

1. Welcome and Meeting Objectives
2. Analysis on Option A – the removal of the obligation for NHHDC's and any other Party to visit de-energised sites
3. Discussion on Option C – The obligation to be placed on the Supplier of a Metering System
4. Half Hourly Market alignment
5. Potential solution and next steps
6. Any other business

Review of Actions and Analysis

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Actions Summary

- ELEXON will carry out further analysis on Option A - The removal of the obligation for NHHDCs (and any other party) to visit de-energised sites on an annual basis from BSCP504 (TMA preferred option)
- The Issue group would also like to look into Option C - The obligation for NHHDCs to visit de-energised sites to be placed instead on the Supplier of a Metering System
- Workgroup to provide confidential figures on payments for site visits to ELEXON
  - We only received two responses, the first was in the range of £5-£20, the second was in the range of £30-£50
- ELEXON will look into how a more aligned solution might work for HH, and present findings to the next Issue Group meeting

Analysis into Option A

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Backdated Energisation Status Changes

- ELEXON have identified Backdated Energisation Status Changes against MC A.

Period	D to E Backdated Change	E to D Backdated Change
2016/17	125,576	29,305
2017/18	187,032	40,485
2018/19	202,021	39,325
2019/20*	90,520 (181,000)	19,414 (38,800)

*Not a full year. Numbers represent April – October

(Pro-rata to a year, rounded)

- ELEXON investigated a sample of 10,000 Backdated D to E MPANs

PAOP	EAC rcvd after update	EAC rcvd before update	No EAC rcvd
2016/17	79.19%	2.26%	18.55%
2017/18	75.99%	1.86%	22.15%
2018/19*	66.86%	5.67%	27.47%
2019/20*	58.66%	9.35%	31.99%

* RF has not passed. There is time to retrieve data and produce D0019s. The Proportion of 'EACs received After Update' could still increase.

- The years we have complete data show a 75-80% EACs received after update, therefore we expect 2018/19 and 2019/20 to reach similar figures.

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Impact for Backdated Period

- ELEXON evaluated the impact of backdated changes utilising the EAC and Days Impacted by the Backdated Change.

Period	Extrapolated Actual Resolved Error	Extrapolated Potential Resolved Error
2016/17	£19,172,865	£48,931,365
2017/18	£23,423,130	£51,586,731
2018/19*	£18,135,311 (£25,389,500)	£32,498,925 (£45,498,500)
2019/20*	£7,140,924 (£24,993,000)	£13,033,966 (£45,619,000)

RF has not passed. There is time to retrieve data and produce D0019s. The Actual and Potential impact could still increase.

(Pro-rata to a year, rounded)

- This shows the value of the controls operated against De-energised Metering Equipment, including the requirement to read De-energised meters annually, the D0095 Process, and the D0139 Process.
- *Extrapolated Actual Resolved Error = EAC * Days in Error * System Price*
- *Extrapolated Potential Resolved Error, if the error remains un-resolved for a year*

*= EAC * System Price*

Distribution of Backdated Energisation Status Updates

- ELEXON have assessed the distribution of the backdated Energisation Status De-energised Meters are concentrated in highly populated areas.

GSP Group	Proportion of Resolved Backdated Changes	Proportion of Resolved Error	Proportion of Energised Meters in GB	Proportion of Deenergised Meters in GB
_C	13.16%	11.03%	7.99%	14.77%
_A	10.87%	12.43%	12.13%	8.73%
_G	10.45%	10.56%	7.93%	7.97%
_H	10.11%	10.55%	10.33%	8.45%
_E	9.92%	9.49%	8.26%	9.58%
_B	9.75%	8.55%	8.84%	7.96%
_J	6.61%	7.65%	7.67%	6.70%
_M	6.32%	6.89%	7.51%	5.92%
_L	5.74%	5.98%	5.40%	7.43%
_N	5.41%	4.69%	7.11%	6.06%
_D	3.71%	4.55%	5.02%	4.28%
_F	3.27%	2.28%	5.29%	4.09%
_K	2.41%	2.43%	3.73%	5.20%
_P	2.28%	2.92%	2.81%	2.86%

Meter Type Analysis

- Meter types impacted by backdated Energisation Status Updates – taken from D0312 Notification of Meter Information to MPAS Flows.

Meter Type	Proportion of Backdated Updates	Proportion of Actual Resolved Error	Proportion of Potential Resolved Error
S1	50.46%	32.74%	33.11%
N	25.61%	34.10%	29.43%
RCAMY	5.39%	14.07%	16.52%
S2A	4.25%	2.59%	3.48%
S2AD	4.25%	1.84%	1.61%
S2ADE	3.83%	2.73%	3.08%
K	2.20%	1.55%	1.98%
NSS	2.01%	1.22%	1.72%
RCAMR	1.82%	8.15%	8.13%
S	0.04%	0.03%	0.04%

Meter Type	Meter Code
SMART	S S1 S2A S2AD S2ADE NSS
NHH	N
Remotely Read NHH	RCAMY RCAMR
Token	K

Metering System EAC/AA Data – D0019

- 10,000 DE MPANs were extracted from SMRS database as sample.
- Following the removal of duplicated mpans, ELEXON has identified 443 mpans which had consumption out of 10,000 meters.
- Taking into account these Consumption Volumes, Total Volume of Electricity has been calculated as **46,595** £.
- We only cover around 55% of D0019 where it will be equal to 8% of total # of the DE sites.
- Sample shows a materiality of **2,760,000 £** however our market coverage could push this up to around **4,944,000 £.**

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D0019 Consumption Data for DE Sites

# of DE Sites used for sampling	# of Discrete Sites which has Consumption	Volume of Electricity (£)
10,000	443	46,595

# of total DE Sites	# of Discrete Sites which has Consumption	Volume of Electricity (£)
600,000	26,640	2,760,000

Discussion on Option C

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Option C

The obligation for NHHDC's to visit de-energised sites to be placed instead on the Supplier of a Metering System

- How will the obligation effect Suppliers?
- Are there any concerns with the obligation being placed on Suppliers?
- Will the obligation align with their current role?
- Any further comments?

Half Hourly Market alignment

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Half Hourly Market alignment

Option	Advantage	Disadvantage
Option One – The obligation remains the same	There would be no change, the market would be aligned, however this is not necessarily a positive	There have been BSC Audit issues raised as a result of the current process
Option Two – The obligations is placed on the Supplier for Half Hourly and Non Half Hourly	The obligation would be clearly defined and inline with the Supplier hub principle.	This could require system changes to get different scheduling process.
Option Three - The obligation is placed on the Supplier for Non Half Hourly but remains on the HHDC for Half Hourly	This would help resolve the issue for Non Half Hourly, and not change the process that already works for Half Hourly	The HH process will retain an inconsistency between BSC obligation and the supplier hub principle. The risk of 'unfair' audit comments will remain.

Potential Solution & Next Steps

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Potential Solution & Next Steps

Solution [Method]	Pros	Cons
Option [a] The removal of the obligation for NHHDCs (and any other party) to visit de-energised sites on an annual basis from BSCP504 – TMA preferred option	• Resolves contractual issues • Removes access challenges for DC's including associated costs	• Settlement errors are smeared across NHH Suppliers
Option [b] Clarifying the responsibility of the NHHDC visiting de-energised sites annually directly in BSCP504 table step 3.4.1.1	• Greater visibility of where responsibilities lie • Ensures appropriate checks are in place for Settlement accuracy	• The Question remains if the obligation should be on the NHHDC or other party who should be carrying out the visit
Option [c] The obligation for NHHDCs to visit de-energised sites to be placed instead on the Supplier of a Metering System	• Ensures appropriate checks are in place for Settlement accuracy	• There would be a mis-alignment between the HH process and the NHH process
Option [d] Leave the obligation as it is	• Ensures appropriate checks are in place for Settlement accuracy	• Settlement Risks are unchanged • Opportunities to improve clarity are not realised

Any other business