

## P196 ASSESSMENT PROCEDURE CONSULTATION ATTACHMENT 5A

Responses to CPC00500 Detailed Level Impact Assessment of P196

Carried out by	Comments
<b>Central Networks</b>	Central Networks can confirm that the implementation of this modification will impact our IS systems and business processes. The systems largely affected will comprise development to CN's MPRS application that supports the SMRS activity and changes to our in-house distribution systems that supports our LDSO activities. Of the proposed options Central Networks would be more comfortable with option "2", this representing in total 28-35 man days worth of IS effort. In addition it should be recognised that staff training will also need to be undertaken to raise the awareness to this new status throughout our business. Whilst Central Networks are supportive in principle to this modification we would need the reassurance that Industry baseline documentation would be amended to take account of the changes. Clearly effective communication between party agents will be key to the success of this modification and in this respect CN would welcome the opportunity of participating in any working groups that may be initiated.
<b>British Energy Generation Ltd, British Energy Generation (UK) Ltd, British Energy Direct, Eggborough Power Ltd, British Energy Power &amp; Energy Trading</b>	<p>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? No, the changes outlined would not impact British Energy's operations directly as the non-mandatory proposed solution would not be adopted by our business.</p> <p>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: Although British Energy will not be implementing the change there would potentially be changes to the systems in order to accommodate other suppliers who may choose to implement the modification, or if SVC codes were altered.</p> <p>3. Any other comments: If the modification were to be implemented then Alternative Modification – Option 1 would be British Energy's preference as it has least impact on the gaining supplier. Overall, British Energy feels that there are number of tools available within the current arrangements that could be utilised more effectively to address the issue of Long Term Vacant sites, such as the de-energisation of meters.</p>

<b>Metering Services</b>	<p>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation?</p> <p>Yes</p> <p>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required:</p> <p>The impact of these proposals will be associated with the manual processing of sites deemed to be Long Term Vacant for both the initiation and termination of the status. An initial estimate of the resource required is 1 man hour per MPAN. However we are currently unclear about the potential volumes. Initial costs will include staff training and the development of a GUI. It is estimated that the development of this GUI will take approximately 10 man days. Additional costs would be incurred from the re-training of field staff if changes are made to the "No Access Codes". Current practise requires that only sites that are obviously unoccupied (no furniture, large pile of post behind door or Boarded up) should be recorded as "02". Code 20 is used only where no other more specific code is appropriate.</p> <p>3. Any other comments:</p> <p>it is unclear whether the three month minimum period between D0004s would lead to the Long term Vacancy notice not being triggered until the third D0004 on 1/4ly read sites where readings could take place within 3 months of each other. It is possible that a maximum period of 7 months between D0004s may exclude sites on a 12 month cycle. A possible alternative might be for suppliers to send a D0052 with a 0 EAC which would potentially lead to a reduction in the costs outlined above.</p>
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<b>Western Power Distribution</b>	<p>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes</p> <p>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: There is a potential negative impact on our DUoS income as supposed consumption will be replaced by zero consumption. However, the proposal will increase accuracy of settlements so we support it in principal. For the proposed modification and alternative modification option 1 there are no development issues so we could implement at any time. Alternative Modification option 2 would require us to make system changes. These have been estimated at approximately £10,000. We would require at least six months, preferably nine months, notice to implement this option. As it offers no obvious benefits we do not support this option at all.</p> <p>3. Do you prefer any of the implementation approaches described in the consultation document (NB: these relate to the P194 reporting requirements as considered in section 2.3 of the Requirements Specification)? Alternative Modification option 1 is our preferred approach as we consider it to offer the best safeguards against sites being erroneously classified as Long Term Vacant.</p> <p>4. Any other comments: The Requirements Specification states that the LDSO needs to be informed of long term vacant sites. However, as an LDSO we have been unable to identify any reason why we would want to know so we would question the accuracy of this. One of the perceived benefits of the Alternative Modification 2 is that it would remove the need to develop a means of providing reports to LDSOs but, as we don't want to receive any reports, we do not see this as a benefit.</p>
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<b>Siemens Energy Services Ltd</b>	<p>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation?</p> <p>Yes</p> <p>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required:</p> <p>The impact, cost and implementation time-scales would depend on the option that was chosen, and at this stage it has been difficult to quantify this to any specific level of detail. The original Modification Proposal (Zero EAC), and Alternative Modification Option 1 (Zero AA) would have less impact than Alternative Modification Option 2 (New Measurement Class). Option 2 would be more expensive as it would require changes to the NHHDA software as well as to our internal systems. In addition, Option 2 would generate a whole new category of D95 exception that would then need to be reviewed and actioned by the NHHDC. It should be noted that we would not support this option.</p> <p>The original Proposal and Alternative Option 1 would almost certainly impact our organisation and incur costs. However, we would support these options as they should bring about an improvement in settlement performance. Our organisation considers the original Modification Proposal (Zero EAC) to be preferable.</p> <p>However, this support would depend very much on how the change is implemented, which is not completely clear in the Modification document. In particular, the Proposal states that the NHHDC should apply a zero EAC to an MPAN identified as Long Term Vacant. The method by which the Supplier informs the NHHDC is described as manual (fax, post, email) and yet must also be auditable. This does not seem a very satisfactory solution. Emails could easily be sent to individuals rather than a mailbox, and then not be traceable at audit. The actual application of the zero EAC is also not specified.</p> <p>It would be more useful if it were made specific in the Proposal as it will be auditable. In our view the best option would be to use the D0052 flow, i.e. the Supplier sends the zero EAC to the NHHDC. This would create a consistent process for all parties and ensure an audit trail is available.</p> <p>The D52 option would however require further systems changes, so would incur additional development and testing cost, and increase the lead time for implementation.</p> <p>3. Any other comments:</p> <p>No</p>
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<b>CE Electric UK (NEDL and YEDL Distribution)</b>	<p>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes</p> <p>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: Our MPRS and LDSO applications would require modification to allow new Measurement Class values to pass in and out of both systems. Modifications to the SMRS application could cost CE in the region of £9k to implement and would require a minimum of a three month development period, which includes coding, testing and deployment. The changes may impact on other applications linked to SMRS including our NHH Line Loss Factor Adjustment Utility. Again, it is suggested that a three month development window would be required and costs in the region of £2k to £3k would be incurred. Modifications would also be required to our Central Network Database (CNDB). It is not possible to fully quantify the monetary impact or delivery timescales without raising a formal change request to develop an impact assessment to make the necessary changes.</p> <p>Any other comments: As a distributor we have concerns that suppliers would not use the new Measurement Class process correctly and not update the MPAN records in a timely manner. Past experience has demonstrated that many suppliers do not manage their settlements data effectively, resulting in a large volume of data mismatches throughout the industry. Examples of this include the volume of incomplete registrations, de-energised MPANs and invalid settlements combinations assigned to MPANs. Ineffective control of this new process could result in further issues within the settlements arena and affect our DUoS income. We also have concerns that we may see an increase in MAP04 retrospective amendments when this new system is introduced and suppliers start to align their data.</p>
<b>IMServ Europe Ltd</b>	<p>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes</p> <p>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: If option 2 is taken forward, our NHHDC system will require system changes. This will be very costly and time consuming as each change will need to go through extensive testing. Though the NHHDA system is maintained by Elexon, we will still need to put the system through extensive testing. This again will be time consuming and costly. We will require at least 90 days notice to begin and work on the changes.</p> <p>3. Do you prefer any of the implementation approaches described in the consultation document (NB: these relate to the P194 reporting requirements as considered in section 2.3 of the Requirements Specification)? Out of the 2 options supplied, we prefer option 1.</p> <p>4. Any other comments: We are concerned about the specifications required to make a site 'Long Term Vacant'. In the Requirements Specification section 2.3 1 states that 'The receipt by the Supplier from the NHHDC of 2 D0004....data flows, at least 3 months apart and not more than 7 months apart....' Does this statement mean that all monthly read sites are not able to be classed as a Long Term Vacant site? How was the time frame of 'at least 3 months apart and not more than 7 months apart' decided?</p>

<b>EDF Energy Networks</b>	<ol style="list-style-type: none"> <li>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes the proposed modification would impact EDF Energy Networks plc</li> <li>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: The cost to EDF Energy Networks plc of implementing the new Measurement Class solution is in the region of £15k and the time frame involved is 3 – 6 months. The cost of the preferred P196 solution, to EDF Energy Networks, for the implementation of the reporting/ processing solution, for the interrogation of data, is the region of £40K.</li> <li>3. Any other comments:</li> </ol>
<b>Npower Limited, Npower Northern Limited, Npower Northern Supply Limited, Npower Yorkshire Limited, Npower Yorkshire Supply Limited, Npower Direct Limited</b>	<ol style="list-style-type: none"> <li>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes</li> <li>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: There will be impacts on systems and processes that would need to be considered. Developments may need to be implemented to ensure that the details on the D0004 are correct, and checks to confirm the site is a long term vacant may be required. We would anticipate requiring a minimum lead time of 6 months from agreement of the changes in fully defined and final form to implement. It is felt that, for ease of identification within Settlements, the development of a new Measurement Class may be beneficial.</li> <li>3. Any other comments: If there is likely to be a large number of sites where Supplier's would need to inform the DC of a long term vacant site would it be beneficial to develop a more formal process for notifying the DC of this information (dataflow or industry agreed method rather than email / fax)? Similar issues may exist in the HH market. Although the processes are different and may in most cases prevent erroneous consumption estimates continuing to enter Settlement, there are some scenarios (e.g. failure of comms) where this may not be the case. However, it is probably more appropriate to address these by a separate Modification or CP.  As identified within P196 differences of interpretation with regards to terminology such as "unoccupied" can occur. In order to prevent such differences of interpretation occurring with regards to Site Visit Check Codes, would it be beneficial to produce a guideline on the Interpretation of Site Visit Check Codes (as has recently been discussed at IREG – MIF17)? There appear to be some detailed scenarios for which the proposed solution seems inappropriate, at least for some types of customers (e.g. re-starting of the 'clock' for sites known to be vacant within a transferred group customer portfolio). We would expect these issues to be picked up in the detailed discussion and drafting stage.</li> </ol>

<p><b>British Gas</b></p>	<p>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes</p> <p>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required:</p> <p><b>Modification Proposal</b></p> <p>This proposal introduces significant impacts to systems, business rules and internal processes including changes to the processing of D0010's, D0004's, COT's and the introduction of manual communications with the NHHDC and the LDSO adding additional complexity and technical changes at considerable cost.</p> <p><b>Alternative Proposal 1 - Enter a zero AA into Settlements as opposed to a zero EAC</b></p> <p>This proposal again introduces significant impacts to systems, business rules and internal processes including changes to the processing of D0010's, D0004's, COT's and the introduction of manual communications with the NHHDC and the LDSO adding additional complexity and technical changes at considerable cost.</p> <p><b>Alternative Proposal 2 - Create a new Measurement Class for Long Term Vacant sites. Exclude consumption Entering Settlements for these sites</b></p> <p>This proposal again introduces significant impacts to systems, business rules and internal processes including changes to the processing of D0010's, D0004's, D0205's, D0052's, COT's, the introduction of manual communications with the NHHDC and the LDSO, the introduction of a new D0095 exception, adding additional complexity and technical changes at considerable cost.</p> <p>3. Any other comments:</p> <p>Yes. We have outlined the main process, system and dataflow changes that would be required with the Modification and Alternative solution from a Supplier perspective. We shall provide more detailed comments in terms of the detail of the proposals in response to the publication of the imminent Industry Consultation.</p>
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<p><b>E.ON UK</b></p>	<ol style="list-style-type: none"> <li>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes</li> <li>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: <ol style="list-style-type: none"> <li>(a) Potential costs - These are really only a best estimate at this time. The Proposed Option, in terms of IS cost, would probably be under the £50k bracket. Until proper analysis is carried out, the true figure will not be known. However, there are not significant changes to be made. For Alternate Option 2 (measurement class), the third party service provider would need to be involved as it would mean changes to some of the modules and so the costs could rise. Unfortunately we have not been able to get the costs for this in the time allowed for this consultation but we are confident that these organisations will be sending in their views on this anyway.</li> <li>(b) Some of the changes that would potentially need to be made would be the identification of the long term vacant site. Therefore managing the D0004 flow with SVCC02 or whatever is decided, and the sending of a D0052 with zero EAC would be important. Both of these are used at the moment, so it would be an amendment to business rules for these.</li> <li>(c) Business process would need to be altered rather than new ones created and the audit log of reasonable efforts to show long term vacant has to be created. This may be something that could be done by the system to quickly record these efforts.</li> <li>(d) Changes to measurement class means a fundamental change to the data flow and so changes to file format and core product changes in registration and metering systems which add to the cost with no real benefit. Also, there will need to be additional processing and rules to change the measurement class back. There are dangers of not doing so and the potential impact on settlements that may arise.</li> </ol> </li> <li>3. Any other comments:  Section 4 - No diagram  Clarify "...to send calculated an AA..." - this is used twice in paragraphs 2 and 6. We are not sure what is meant by this.  Section 5.1, page 10, paragraph 7 - On CoS, Option 2 is suggesting that it would be for the new Supplier to trigger a CoMC from 'V', presumably using the same criteria for identifying a re-occupied site, but possibly without the full visit and D0004 history. Is this the case? Also, how does this sit with the process of deeming an 'actual' read on CoS, therefore interrupting the D0004 chain?</li> </ol>
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<p><b>AccuRead Ltd</b></p>	<ol style="list-style-type: none"> <li>1. <b>Would the Proposed Modification impact your organisation?</b> Yes. The proposed modification and also the 2 alternative modifications would impact AccuRead.</li> <li>2. <b>Provide a description of the impact, any costs incurred, and the implementation timescale required:</b> <ol style="list-style-type: none"> <li>a. Proposed Modification (Reset EAC to zero) - The impact of this proposal would be considerable. As the process would be manually driven, this would result in new working practices being developed. As the quantity of work is difficult to predict, we are unable to estimate costs, but at a minimum would be equivalent to 2FTE's. If any further system changes were required, these costs would be substantially higher. Although the principal of this proposal would fulfill the requirements, we feel that the manual aspect to the process is not appropriate.</li> <li>b. Alternative Solution Option 1 (New MC) - The impact of this solution would be high, as this would be more of an automatic process. The only requirements placed upon an NHHDC would be to create a reading to match the CoMC, which can be incorporated into existing process. Cost involved would be high due to a necessary system change to include a new MC. Further resource may also be required, due to the potential increase in D0095 exception.</li> <li>c. Alternative Solution Option 2 (Reset AA to zero) - As 'Proposed Modification'. Further to the above comments, we feel that this option would further complicate the process and therefore increase both impact &amp; costs for an NHHDC.</li> </ol> </li> </ol> <p>Without a detailed final specification, it is not possible to give exact costs for any proposed development, but the eventual cost will certainly be in the order of 10s of thousands of pounds.</p> <p>Further to these comments, AccuRead would also like to expand on 'Alternative Solution Option 1' that would remove some NHHDC involvement, and therefore reduce the impact and costs for a NHHDC. We suggest that the supplier could use a D0205 to remove the site from Settlements (appreciating that some changes would be required), and that the role and finction of the NHHDC would remain unchanged. If consumption were then detected, a D0095 could be produced so this would be reported to the supplier.</p>
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<b>United Utilities Electricity plc</b>	<ol style="list-style-type: none"> <li>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes*</li> <li>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: If this modification were to be implemented, there would be impacts to United Utilities in the following areas: <ul style="list-style-type: none"> <li>▪ MPRS system changes, which could mean either a £7k implementation cost if shared or £50k implementation cost if undertaken in isolation;</li> <li>▪ Revenue protection concerns regarding “Long Term vacant sites” that are not physically de-energised at the cut-out position. United Utilities are penalised through its losses incentive mechanism at 4.8p per kWh lost through its distributed services area. The cost impact of this could be very substantial.</li> <li>▪ The uncertainty of the de-energised picture throughout settlements as a whole, which could lead to a fix being put in place to correct areas already being corrected through other projects</li> </ul> </li> <li>3. Do you prefer any of the implementation approaches described in the consultation document (NB: these relate to the P194 reporting requirements as considered in section 2.3 of the Requirements Specification)? United Utilities feel that the implementation approaches under section 2.3 of the Requirements Specification appear reasonable to justify a site as being classified as long-term vacant.</li> <li>4. Any other comments: United Utilities feels that through the current mechanism which is already in place, Suppliers should ensure that they request their Meter Operator to physically de-energise a supply when the site is classified as long-term vacant and re-energise when it is classed as being occupied. This would ensure that from a safety perspective the site is “dead” from the cut-out onwards. This would also ensure the opportunity for illegal abstraction is nullified. There would therefore be no requirement to introduce this new partial solution, if the existing mechanism was used in way it was intended. United Utilities feels that the whole accuracy of measurement data picture is very much clouded at the present time, with several data cleansing projects on the table. We would like to see a vision of how all the projects within the current Elexon portfolio are making the settlements system more accurate.</li> </ol>
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<p> <b>Scottish Power UK plc</b>  <b>ScottishPower Energy Management Ltd.</b>  <b>ScottishPower Generation Ltd.</b>  <b>ScottishPower Energy Retail Ltd.</b>  <b>SP Manweb plc.</b>  <b>SP Transmission Ltd.</b> </p>	<ol style="list-style-type: none"> <li>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes. Regardless of the option pursued, the Modification would impact across ScottishPower's businesses.</li> <li>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: The impact will initially be at a system level as the changes will require that some system development be undertaken. In particular work to amend our Supply Systems, which handle the D004 dataflow and Measurement Class information, will amount to approximately 60 days of development effort. In addition, our NHHDC system will need to be amended, <i>inter alia</i>, to either permit the immediate zeroing of EACs, or be able to handle the new Measurement Class, depending on which option is implemented, and this work could amount to around 40 days effort. Other systems may be affected to a lesser degree, but could have a cumulative impact in the region of a further 40 days effort, particularly in the area of additional reporting requirements. A generous contingency may also be necessary to ensure that all business processes are sufficiently robust to meet any new requirements, particularly with regard to the ongoing management of Long Term Vacant sites and other activities that would normally be concomitant with Change of Measurement Class. Longer term impacts on Distribution and Supply revenues are also anticipated (although this may be a beneficial impact) and principles of demand forecasting may need to be reconsidered. It should also be noted that the range of systems affected would be greater if option 2 were to be implemented, although the costs to implement will not necessarily increase. Nonetheless, in view of the systems changes required to implement this Modification, <b>a minimum of 270 days notice would be required.</b></li> <li>3. Any other comments: ScottishPower support option 2 as the best way to address this issue. This would see volumes attributed to Long Term Vacant Sites being allocated to a new Measurement Class of 'V' and lead to more accurate allocation of energy in the SVA arrangements. It should also be noted that, regardless of the option pursued, ScottishPower is keen to see that adequate controls are put in place to ensure that re-occupied premises are identified and that the new process is not open to abuse. It is therefore important that these sites cannot be disregarded once they have been classified as Long Term Vacant and that site visits continue.</li> </ol>
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<b>Southern Electric Power Distribution; Keadby Generation Ltd; SSE Energy Supply Ltd; SSE Generation Ltd; and Scottish Hydro-Electric Power Distribution Ltd; Medway Power Ltd;</b>	<ol style="list-style-type: none"> <li>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes.</li> <li>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: Costs would not be significant. would require some changes to reporting and business processes. 6 months notice would be required from when any change was agreed.</li> <li>3. Any other comments: We would not wish to pursue either of the 2 alternative options mentioned and therefore have not wasted time carrying out any impact assessment on them.</li> </ol>
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<b>EDF Energy</b>	<ol style="list-style-type: none"> <li>1. Would the Proposed Modification, as outlined in the attached Requirements Specification, impact your organisation? Yes</li> <li>2. If yes, please provide a description of the impact, any costs incurred, and the implementation timescale required: We cannot currently do so as the solutions are not in our view complete. We do note though that earliest we could plan for would be a November 2005 release for these changes.</li> <li>3. Any other comments:</li> </ol> <p>We are concerned that this solution is too reliant on D0004 flows and a site visit check code of 02. Discussions suggest that most DCs use this code for a number of different reasons many of which would not relate to site being vacant. This would also require significant training of field operatives to ensure this code is used for one purposes only. We also have a number of scenarios were due to contracts we have we might not receive a D0004 until up to two years after previous one. We might know that site is vacant but under these changes could do nothing about it. This seems to be penalising Suppliers unfairly and as such would be anti-competitive. We are also concerned regarding the amount of manual communication within these solutions and feel that this will lead to problems in maintaining full and complete audit. A number of other situations apart from a D0010 arriving from a DC or a customer own read would indicate that site is no longer vacant these must be taken into account in any solution. Prepayment flows need specifically to be included. In terms of data into settlements as a Supplier we do not see any value of putting a zero EAC in and would prefer to be able to enter a zero AA. We do have some concerns with the issue of DC deeming a start of vacant sit read and then when a new customer moves in getting a different actual read. In this case problem is likely to be deemed close read but impact will be to remove the zero in settlements and replace this with a value that estimates from the deemed read. Consideration of replacing that deemed read with the new read should be made as this is likely to be what read was valid at time of vacancy.</p>
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