Change Proposal – BSCP40/01	CP No: 1132 *Version No: 1.0*

Title *(mandatory by originator)*
Minor enhancements to the P176 detailed solution

Description of Problem/Issue *(mandatory by originator)*

P176 'Clarification of the Requirements for Estimation / Deeming of Meter Readings / Advances in Certain Circumstances to Facilitate Correction of Anomalies in Settlement Consumption' was approved by the Authority on 10 May 2005, for implementation in the November 2005 release. As part of P176, proposed changes to Code Subsidiary Documents (CSDs) were drafted, to support the solution to the modification. Following discussion of the P176 solution and the proposed changes to CSDs with members of the Software Technical Advisory Group (STAG) and the Supplier Agent's Forum (SAF), it has become clear that there are inconsistencies between some of the processes defined under P176 and current practice. It has also become clear that some of the drafting may not be practical and there are a number of issues and minor amendments that should be resolved in parallel with the implementation of P176. These were not addressed under P176 and hence they have been raised as this separate Change Proposal (CP).

1. The P176 BSCP504 drafting says that if the Non-Half Hourly Data Collector (NHHDC) has made reasonable endeavours to obtain an initial reading but one is not forthcoming, it may wait until it has obtained a valid reading and deem backwards from this using an initial Estimated Annual Consumption (EAC) to calculate an initial reading. However, the NHHDC will not be able to validate the first reading obtained as it has no Meter history to use to validate the reading. Therefore the word 'valid' in this case is misleading.

   Parties views are sought on whether the NHHDC should be allowed to deem backwards from the first reading, given that it cannot be validated. The Modification Group agreed that deeming back from one reading using an initial EAC should be allowable on the basis that the group did not believe that the NHHDC should have to go to the site twice to obtain two readings to deem from, however the Modification Group did not consider the issue of the validity of the first reading taken.

2. The P176 drafting states that the initial reading should be deemed using the first reading taken and an initial EAC, however, those NHHDCs who carry out this process in practice wait until they have obtained two Meter readings and then deem backwards using the Annualised Advance (AA) calculated from these readings. Since this is more accurate than deeming using one reading (and will be easy to carry out following the implementation of CP1081 'EAC/AA Changes to Allow Manual Initiation of a Deemed Meter Advance Calculation'), it should be included in the P176 drafting as an allowable way to deem backwards.

3. The Gross Volume Correction (GVC) process that has been described in the P176 drafting has been discussed with the STAG and the SAF, who have pointed out some discrepancies between the drafting and current practice. Amendments should therefore be made to the drafting so that it reflects current practice as closely as possible.

   It should be noted that the ability of NHHDCs to carry out GVC is a current requirement to allow a Grid Supply Point (GSP) Group to come out of the dispute runs for erroneously large Estimated EACs / AAs. Therefore, if an NHHDC is already carrying out GVC using a method which is subtly different to the one described in BSCP504, the NHHDC should be allowed to continue to carry out GVC their way as opposed to changing their method to fit in with P176 and this CP.

4. Most of the wording around the deeming calculation talks about using a valid actual reading to deem from, however in practice, though a valid reading is required, in a number of cases this

reading could have itself been deemed, i.e. a deemed reading can be calculated using a reading that has itself been deemed. The P176 drafting should make this clear.

5. The P176 BSCP504 drafting states that the NHHDC requests the Meter reading history at SSD+8 if they have not already received it. Where the Meter reading history is subsequently provided, the NHHDC is required to use it to deem a change of Supplier (CoS) reading, however, the NHHDC may already have collected or been provided a CoS reading which they could not validate previously as they did not have the Meter reading history. In this scenario, the Meter reading history should be used to validate the CoS reading that the NHHDC already has. If this reading is valid, it should be used as the CoS reading. Only where there is no valid reading should deeming be allowable.

Proposed Solution(s) *(mandatory by originator)*

The following amendments to the P176 solution should be made. Note that references are taken from the proposed changes for BSCP504 developed as part of P176 (the P176 BSCP504 drafting) which were issued to the Authority in Annex 2 of the P176 Modification Report (Plain English Drafting and suggested supporting changes to PSL120 'Party Service Line for Non-Half Hourly Data Collection' and BSCP504 'Non-Half Hourly Data Collection for SVA Metering Systems Registered in SMRS').

1. Respondents to the Impact Assessment are asked to comment on whether deeming backwards from one reading and an initial EAC should be allowable, given that the reading to be deemed backwards from will not have been validated.

   If responses agree that deeming backwards from one reading and an initial EAC should be allowable, then the word 'valid' should be removed from section 4.5 of the P176 BSCP504 drafting in these scenarios.

   If responses agree that deeming backwards from one reading and an initial EAC should not be allowed, these scenarios should be removed from section 4.5 of the P176 BSCP504 drafting.

2. The ability to deem backwards using an AA calculated from the first two readings taken by the NHHDC should be added to section 4.5 of the P176 BSCP504 drafting, in all the places where it states that a reading should be deemed backwards using the first Meter reading taken and an initial EAC.

3. The following changes should be made to the GVC section:
   - The title of Appendix 4.x 'Gross Volume Correction' should be changed to make clear that this section is provided for guidance. A footnote could also be added to note that there are other ways to carry out the GVC process which are equally acceptable as the one described in this section;
   - Section 4.x.1 'Introduction' – This section should provide guidance on how the NHHDC / Supplier would know that GVC may need to be carried out (e.g. that the EAC is above monitoring levels or reads consistency failing validation but in line with each other);
   - Section 4.x.2 'Definitions' – Section 4.x.6 'Establishing the Current Final Reconciliation Run Settlement Dates' should be merged with Section 4.x.2, and instead of the use of the term 'Current Final Reconciliation Run', the concept of the RF window should be introduced. This would be a window of time, just prior to RF being carried out in which an Error Freezing reading should be deemed. It is proposed that this window should be between 5 Working Days (WDs) and 20 WDs prior to the RF run that is to be carried out at the Supplier Volume Allocation Agent. The RF window should be defined in its own right within the definitions, and 'current RF' should be replaced with RF window in the definition of the 'Error Freezing reading'.
   - Section 4.x.2 'Definitions' - Crystallised Periods should be made singular.

- Section 4.x.3 'Use of GVC' – This section should make clear who has the responsibility for invoking the GVC process (i.e. the Supplier) and that this process is optional for the Supplier (although if the Supplier requests that the NHHDC carried out GVC, then the NHHDC must carry it out). The phrase 'requested by the Supplier' used here and in 3.4.x.1 should be changed to 'agreed with the Supplier'; and
- The text in the diagram associated with 4.x.4.1 stating 'at least 2 months prior to the current RF' is misleading and should be replaced with 'at least 60 WD after the date of the error freezing reading'.

A subset of the STAG walked thought the GVC processes described in section 4.x.4 'Gross Volume Correction Process' to highlight any discrepancies with current practice. They determined that some changes were required as follows:

- The two processes described should be merged as there will generally be a valid Actual Meter register reading (A1) which has crystallised and a valid Meter reading (A2) in the fluid period.
- The process steps should be in the following order: 4.x.4.2.2, 4.x.4.1.4, 4.x.1.4.1, 4.x.4.1.3, 4.x.4.1.5, and some extra steps and changes to the wording should be made, i.e. the process would look as follows:

New Ref	Old Ref	Action
4.x.4.1.1	4.x.4.1.2	A Deemed Meter Reading, D1, should be calculated ~~at~~ in the ~~current~~ RF window to freeze the error that has already crystallised. This shall be calculated using the actual, valid Meter register reading, A1 and the erroneous EAC / AA(s) for the Deemed Meter Advance Period starting on the date that the realistic reading A1 was obtained and ending on the date for
4.x.4.1.2	4.x.4.1.4	If there are any invalid Meter readings in the fluid period, these should be withdrawn.
Optional step 4.x.4.1.3	None	Calculate an AA between A1 and A2. Use this to deem a correcting read (D_{new}) at least 60 WDs after the error freezing read. The Deemed Meter Advance Period starts on the date of A2 and ends on the Date of D_{new}.
4.x.4.1.4	4.x.4.1.1	If there is no valid Actual reading (A2) in the fluid period, a realistic reading, D2, should be generated in the fluid period, for a Settlement Date at least 60 WDs after the date of the error freezing reading ~~two months after that which is currently going through RF~~ (and ideally as longer where possible). This should be a Deemed Meter Reading (created from the previous actual, valid
4.x.4.1.5	4.x.4.1.3	An AA should be calculated between either D1 and D_{new} or D1 and A2 or D1 and D2. ~~and D1 (This will be a compensatory AA to compensate in the fluid period for the error that has already crystallised)~~.

4.x.4.1.6	4.x.4.1.5	If necessary (i.e. if the deeming process has created a forward EAC that is inconsistent with normal generation or demand for that Metering System), the EAC going forwards from A2, ~~(~~D2~~)~~ or D_{new} - should be replaced with a realistic EAC (i.e. an EAC that has been based on a previous valid AA or, if none are available, an initial (class average) EAC).

- Section 4.x.4.1 - Corresponding changes should also be made to the diagram to reflect the changes to the text. The diagram should be split into a number of diagrams showing each (or a few) steps to make the process clearer; and
- Section 4.x.5 – A clarification around the text stating that 'The process for disputing a change of Supplier reading should be followed, if appropriate', should be added to note that it may be appropriate to dispute the CoS reading where the CoS is within 12 months of the current Settlement Date, and the error identified by carrying out GVC is over the threshold for disputing a CoS reading.

4. Since a deemed reading can be calculated from a reading which has itself been deemed, i.e. an actual reading is not required for the deeming calculation, where the phrase 'valid actual reading' is used in section 4.5 of the P176 BSCP504 drafting, the word 'actual' should be deleted.

5. The P176 BSCP504 drafting, section 4.5.2 (a) states that the NHHDC requests the Meter reading history at SSD+8 if they have not already received it. Where the Meter reading history is subsequently provided, the NHHDC is required to use it to deem a CoS reading, however, the NHHDC may already have collected or been provided a CoS reading which they could not validate previously as they did not have the Meter reading history. In this scenario, the Meter reading history should be used to validate the CoS reading that the NHHDC already has. If this reading is valid, it should be used as the CoS reading. Only where there is no valid reading should deeming be allowable.

Justification for Change *(mandatory by originator)*

These changes will ensure that the solution to P176, when implemented, is complete and not suffering from minor inconsistencies with current practice that would require agents to change systems or processes for no good reason or lead to the production of audit issues, which would necessitate further CPs to be raised to clarify the requirements.

Is the Change being proposed a Housekeeping Change? *(optional by originator)*

No

Configurable Items Potentially Affected by Proposed Solution(s) *(optional by originator)*

BSCP504 'Non-Half hourly Data Collection for SVA Metering Systems Registered in SMRS'

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

None

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Related Changes and/or Projects *(mandatory by BSSCo)*

P176 'Clarification of the Requirements for Estimation / Deeming of Meter Readings / Advances in Certain Circumstances to Facilitate Correction of Anomalies in Settlement Consumption'
CP1081 'EAC/AA Changes to Allow Manual Initiation of a Deemed Meter Advance Calculation'
CP1122 'Inclusion of the Backstop Process as part of the Change of Supplier Process into Code Subsidiary Documents'
CP1123, 'Use of Early Readings during the Non-Half Hourly Change of Supplier Process'
CP1124, 'Use of alternate methods of validation during the Non-Half Hourly Change of Supplier Process'

Requested Implementation Date ***(mandatory by originator)***

November 2005

Reason: This change should be implemented in parallel with P176 so that the full P176 solution is implemented.

Agreed Release/Implementation Date ***(mandatory by BSCCo)***

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Attachments: No