

CP1433 'Clarification of which Metering Systems are captured by the P272 requirements'



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About This Document

This document is the Final Change Proposal (CP) Report for CP1433, which ELEXON has published following the final decision from the Supplier Volume Allocation Group (SVG) to approve CP1433.

There are three parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, and implementation approach. It also summarises the SVG's views on the proposed changes and the views of respondents to the CP Consultation, along with the final decision to approve this change.
- Attachment A contains the approved redlined changes to deliver the CP1433 solution.
- Attachment B contains the full responses received to the CP Consultation.

CP1433

Final CP Report

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1 Why Change?

How does the BSC allocate Profile Classes?

The method of allocating a Profile Class (PC) is set out in [BSC Procedure \(BSCP\) 516 'Allocation of Profile Classes and SSCs'](#). The allocated PC depends upon whether:

- the Metering System Identifier (MSID) is import or export;
- the Meter usage is domestic or non-domestic;
- the Meter has 'switched load' capabilities; and
- the Meter records Maximum Demand.

Where a Meter records Maximum Demand, the Non Half Hourly Data Collector (NHHDC) can calculate a load factor. A load factor is a customer's actual annual consumption expressed as a percentage of the notional annual consumption if the customer had used energy at their Maximum Demand throughout the year. The higher the load factor, the flatter the load profile is. PCs 5-8 reflect the 'flatness' of the profile, with PC 8 being the 'flattest' and PC 5 having the most pronounced peaks.

The original requirements for ensuring the recording of Maximum Demand were due to an associated Distribution Use of System (DUoS) tariff, which is now no longer charged.

How does P272 affect this?

[P272 'Mandatory Half Hourly Settlement for Profile Classes 5-8'](#) comes into effect on 1 April 2016¹. From this date, non-domestic import Metering Systems with an Advanced Meter fitted in accordance with the requirements of Standard Licence Condition (SLC) 12.17-12.22 of the [Electricity Supply Licence](#) must be Half Hourly (HH) settled. Therefore, Suppliers should not register these under PCs 5-8 using BSCP516, as HH Metering Systems do not have a PC. Suppliers will continue to register MSIDs for unmetered connections and for export against PC 8 after 1 April 2016.

What is the issue?

The P272 requirements apply to Metering Systems with Advanced Meters installed according to the Supply Licence condition for Metering Systems in PCs 5-8. These Metering Systems will need to be settled HH from 1 April 2016. After that date, PC 8 will only be used for Unmetered Supplies and Non Half Hourly (NHH) Export. PCs 5-7 will no longer be used. To cater for any new installation post P272 implementation, the PC 5-8 definitions will need to endure to allow Suppliers to comply with the Licence Conditions and the ongoing P272 requirements.

Many Meters installed to date are capable of recording the Maximum Demand, and many record this even when they are not required to do so. Smart and Advanced Meters installed in PCs 1-4 often have Maximum Demand capability, but it was never the intention of the SLC and P272 to mandate HH Settlement for these Metering Systems. The migration to HH Settlement is likely to be more straightforward once the Data and Communication Company (DCC) services these Meters. As such, CP1433 seeks to limit the requirement to

¹ The BSC Panel has requested a delay to the P272 Implementation Date to 1 April 2017 in light of [P322 'Revised Implementation Arrangements for Mandatory Half Hourly Settlement for Profile Classes 5-8'](#). This is currently with the Authority for consideration and a decision is expected by 20 July 2015 at the same time as a decision on .

move Metering Systems to HH Settlement to those Meters that Suppliers or LDSOs require to record Maximum Demand.

Approved solution

[CP1433 'Clarification of which Metering Systems are captured by the P272 requirements'](#) will clarify which Metering Systems are captured by the P272 requirements.

It will do this by clarifying that, from 1 April 2016, any non-domestic customers with an Advanced Meter for import fitted in accordance with the SLC must be settled HH. This means that such Metering Systems would not be NHH and so would be excluded from the processes under BSCP516, and in particular from being allocated to one of PCs 5-8.

The proposed changes clarify registration requirements for non-domestic import customers without an Advanced Meter and those that remain in PCs 5-8.

Approved redlining

Attachment A contains the approved changes to BSCP516 to deliver the CP1433 solution

3 Impacts and Costs

Central impacts and costs

Central impacts

CP1433 will make changes to BSCP516. No system changes are required.

Central Impacts	
Document Impacts	System Impacts
<ul style="list-style-type: none">BSCP516	<ul style="list-style-type: none"><i>None</i>

Central costs

The central implementation costs for CP1433 will be approximately £240 (one ELEXON man day) to implement the necessary document changes.

BSC Party & Party Agent impacts and costs

Participant impacts

Whilst we do not believe there to be any impacts on participants other than potentially the need to update training materials, three respondents (three of the 'big 6') indicated that they would be impacted. One respondent noted that it needed further clarification to fully assess the impacts. Another noted that they would be impacted only in that the CP defines which Metering Systems are covered under P272 after 1 April 2016. The other respondent who said they would be impacted did not provide any specific details.

Participant Impacts	
Participant	Impact
Suppliers	May need to update training materials.
NHHDCs	
SMRAs	

Participant costs

No respondents provided details of costs, nor indicated the size of the likely change.

4 Implementation Approach

Approved Implementation Date

The approved Implementation Date for CP1433 is **25 June 2015** as part of the June 2015 BSC Systems Release. These changes should be made as soon as possible to clarify what happens to new connections from April 2016.

One respondent believed that the CP should be implemented as soon as is practicable, as it provides clarity ahead of the P272 implementation. ELEXON agrees, as the CP also makes it clear that participants cannot revert to PCs 3-4 to avoid P272.

Another noted that, should the Authority agree with the Panel to delay the P272 implementation, then the date referencing the P272 Implementation Date in the proposed changes to BSCP516 might need to reflect this. As such, they believed that it might mean that the CP1433 Implementation Date needs to be revised. We agree that the proposed changes would need to reflect any changes to the P272 Implementation Date. However, we disagree that this could result in a delay in the SVG's decision and therefore its impact on the CP's implementation. Should the P272 Implementation Date change, we would raise a Housekeeping CP to change BSCP516 to reflect this.

5 Initial Committee Views

SVG's initial views

ELEXON presented CP1433 to the SVG at its meeting on 3 March 2015 ([SVG169/06](#)).

The SVG requested that the proposed Implementation Date be forward from 5 November 2015 to 25 June 2015. The SVG had no other initial comments.

6 Industry Views

This section summarises the responses received to the CP Consultation. The full consultation responses can be found in Attachment B.

Summary of CP1433 CP Consultation Responses			
Question	Yes	No	Neutral/ No Comment
Do you agree with the CP1433 proposed solution?	7	2	0
Do you agree that the draft redlining delivers the intent of CP1433?	7	2	0
Will CP1433 impact your organisation?	3	6	0
Will your organisation incur any costs in implementing CP1433?	2	6	1
Do you agree with the proposed implementation approach for CP1433?	8	0	1
Do you have any further comments on CP1433?	1	8	0

Comments on the CP

Views on the solution

Seven of the nine respondents supported the proposal, with two against. Two of those in support welcome the clarification of which Metering Systems are captured by P272.

One respondent believed that the assumption by the Department of Energy and Climate Change (DECC) and Ofgem that PC is linked solely with size is wrong, and that it should be linked to the ability to calculate load factor. As Maximum Demand is needed to calculate load factors, the respondent did not support CP1433. The respondent noted that PCs 3-4 contain high load factor supplies. They believed that as it was not the practice to measure Maximum Demand on smaller supplies, after 1994 these supplies were 'dumped' into PCs 3-4. They believed that the measurement of Maximum Demand in existing NHH Advanced Meters is the determining factor for P272. They argued that all NHH sites with Code of Practice (CoP) 10 Advanced Meters should automatically be migrated to the HH market under P272. There are many Meters with Maximum Demand capability, including smart Meters at domestic premises. We are aware that Suppliers use the Maximum Demand registers for their own purposes. As such, we do not believe that, just because a Meter is capable of recording the Maximum Demand, this in itself should require Suppliers to register the Metering System to PCs 5-8 now or settle it HH under P272. We agree that if the Metering System requires CoP10 and is in PC 3 or 4 with Maximum Demand recorded then it should be in PCs 5-8. If an Advanced Meter has been installed in accordance with the Supply Licence, it would then be captured by the P272 requirements. The CP1433 drafting does not change this, as the requirement is part of P272.

The other respondent who disagreed with CP1433 believed that further clarification was required, though no detail was provided. ELEXON was concerned that any further changes to BSCP516 may not be in line with the Licence. As the Licence takes precedence over the BSC and its subsidiary documents, any further clarification should therefore be made to the Licence.

Comments on the proposed redlining

No respondents suggested amendments to the redlined text. However, we did receive some comments on the drafting.

A respondent who supported CP1433 thought that further clarification should be provided to the definition of an Advanced Meter. Again, we believe that the Licence defines this already and any further clarification would therefore require a Licence change.

One of the two respondents against the change believed that the redlining is unclear what happens to new NHH Meters that are installed after the implementation of P272. We believe that the changes do clearly set out how NHH Meters should be registered both before and after the P272 Implementation Date.

SVG's final views

ELEXON presented CP1433 to the SVG at its meeting on 28 April 2015 ([SVG171/04](#)).

P272 Implementation Date and Housekeeping CP

ELEXON highlighted that the draft BSCP516 redlining refers to the P272 Implementation Date of 1 April 2016. Therefore, if any change is made subsequently to the P272 Implementation Date then ELEXON would need to reflect this in the BSCP through a Housekeeping CP. The Chairman noted that the SVG had wanted this CP implemented as soon as possible for clarity, and that delaying therefore did not seem appropriate given the industry was still working to 1 April 2016 in the meantime.

Clarification on applicable Metering Systems under P272

The SVG was concerned that the criterion 'Maximum Demand recorded' could apply to PCs 1-4 as well as 5-8. ELEXON advised that it had removed the word 'capable' from the BSCP to try to clarify this concern. The SVG noted that smart Meters also 'record' Maximum Demand so was concerned that this criterion would apply to all Meters. ELEXON clarified that this was not the intention of P272 and that Maximum Demand is not used for Settlement. Therefore, including the words 'recorded for Settlement' would not resolve the issue.

The SVG noted that ideally the Supply Licence would base the requirement for advanced metering on a volume threshold rather than refer to PCs 5-8, with a suggestion that any Meter with a Maximum Demand greater than 40kW should be HH. However, without a licence change, further clarity in BSCP516 could be in contradiction to the Supply Licence.

ELEXON agreed to provide this report to Ofgem for its information.

Amendments to the Legal text

ELEXON highlighted that, following the meeting, it would capitalise 'Import' and 'Export' throughout BSCP516 as they are defined terms in the BSC. The SVG agreed that this amendment should be made.

Final decision

The SVG has **APPROVED** CP1433 for implementation on **25 June 2015** as part of the June 2015 BSC Systems Release.

Appendix 1: Glossary & References

Acronyms

Acronyms used in this document are listed in the table below.

Acronyms	
Acronym	Definition
BSCP	Balancing and Settlement Code Procedure (<i>Code Subsidiary Document</i>)
CoP	Code of Practice (<i>Code Subsidiary Document</i>)
CP	Change Proposal
HH	Half Hourly
MSID	Metering System Identifier
NHH	Non Half Hourly
NHHDC	Non Half Hourly Data Collector (<i>Party Agent</i>)
PC	Profile Class
SLC	Standard Licence Condition
SMRA	Supplier Meter Registration Agent (<i>Party Agent</i>)
SVG	Supplier Volume Allocation Group (<i>Panel Committee</i>)

External links

A summary of all hyperlinks used in this document are listed in the table below.

All external documents and URL links listed are correct as of the date of this document.

External Links		
Page(s)	Description	URL
2	BSCPs page on the BSC Website	https://www.elexon.co.uk/bsc-related-documents/related-documents/bscps/
2	P272 page on the BSC Website	https://www.elexon.co.uk/mod-proposal/p272-mandatory-half-hourly-settlement-for-profile-classes-5-8/
2	Licence Conditions page on the Ofgem website	https://www.ofgem.gov.uk/licences-codes-and-standards/licences/licence-conditions
3	CP1433 page on the BSC Website	https://www.elexon.co.uk/change-proposal/cp1433/
5	SVG169 page on the BSC Website	https://www.elexon.co.uk/meeting/svg-169/
8	SVG171 page on the BSC Website	https://www.elexon.co.uk/meeting/svg-171/

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