

Assessment Procedure Consultation Responses



P322 'Revised Implementation Arrangements for Mandatory Half Hourly Settlement for Profile Classes 5-8'

This Assessment Procedure Consultation was issued on 22 May 2015, with responses invited by 5 June 2015.

Phase

Initial Written Assessment

Definition Procedure

Assessment Procedure

Report Phase

Implementation

Consultation Respondents

Respondent	No. of Parties/Non-Parties Represented	Role(s) Represented
TMA Data Management Ltd	0/4	NHHDC, NHHDA, HHDC and HHDA.
IMServ Europe Ltd	0/6	HHDA, HHDC, HHMOA, NHHDA, NHHDC, NHHMOA
Stark Software International Ltd	0/4	HHDA, HHDC, NHHDA, NHHDC
SmartestEnergy	1/0	Supplier
Supplier 1 (confidential response)	-	Supplier
SSE Supply Limited	4/0	Supplier
Salient Systems Limited	0/0	Software Solutions Provider
Haven Power Ltd	1/0	Supplier
Siemens Operational Services	0/1	Supplier Agent
ScottishPower Retail & Generation	3/0	Generator; Supplier; Supplier Agent
Electricity North West Limited	1/0	Distributor
E.ON	1/0	Supplier
Western Power Distribution	4/0	Distributor
GDF SUEZ Energy UK	1/0	Supplier

P322
Assessment Consultation
Responses

8 June 2015

Version 1.0

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Respondent	No. of Parties/Non-Parties Represented	Role(s) Represented
National Grid Electricity Transmission	1/0	Transmission Co.
RWE npower	9/0	Supplier; Supplier Agent
Gazprom Marketing & Trading Retail Ltd	1/0	Supplier
EDF Energy	12/0	Generator, Supplier
British Gas	5/0	Supplier

Question 1: Do you agree with the Workgroup's initial majority view that P322 does better facilitate the Applicable BSC Objectives than the current baseline?

Summary

Yes	No	Neutral/No Comment	Other
14	2	3	0

Responses

Respondent	Response	Rationale
TMA Data Management Ltd	Neutral	We supported P272 and its implementation date. We agree that P322 does offer mitigation to the risk that some Suppliers might struggle to meet the P272 deadline however that benefit is also mitigated by the fact that longer completion timescales will offer longer periods of uncertainty for customers in terms of pricing. We find P322 to be neutral to Objective d and we are not convinced that it better facilitates objective C.
IMServ Europe Ltd	Yes	-
Stark Software International Ltd	Yes	Allows a higher proportion of Contracts to reach full term and more time for CoMC which is ambitious under the current plan. NB Under both the original and the proposed plan there is the further customer issue of broken MOP/DC contracts that may be in place (and be of a longer term than Supply contracts) – especially where the Supply and MOP/DC commercials are separate.
SmartestEnergy	No	We agree with the comment in the document that P322 doesn't help competition as it provides a long period of uncertainty for customers in respect to pricing. The migration period should therefore be as short as possible. We believe that either the level of churn will reduce significantly for a period of two years (because suppliers are reluctant to price unknown DUoS charges), or that many customers will enter into contracts which need to be re-opened. This will happen because suppliers will not know for certain at the time of pricing what kind of meter the customer has. This will only be known after the Change of Supplier (CoS) event has taken place. We believe it would be better for competition if all suppliers changed the Measurement Class over a short period (the five months which has come

Respondent	Response	Rationale
		about through the combination of P272 and P300 is an ideal length.) The market will be able to return to normal levels of competition and churn immediately. As things stand, suppliers who could have moved early will be reluctant to do so because they may then lose the customer, but will not benefit from other suppliers having moved early. They would not think this way if the whole industry were engaged in a CoMC process during the same concentrated period.
Supplier 1 (confidential response)	Yes	P322 reduces some of the risks of consumer detriment arising from the current baseline
SSE Supply Limited	Yes	-
Salient Systems Limited	Yes	<p>Objective B – Promote Competition</p> <p>Alignment of mandatory CoMC migrations with customer contract renewals or CoS events will likely improve upon any current variability across Supply companies to design and deliver appropriately targeted and attractively differentiated HH service offers to existing customers and to potential new customer prospects. More timely and effective engagement with customers up to contract renewals will be more likely to focus upon illumination of new services that will be provided and new opportunities opening up to HH settled customers rather than upon possible more negative objection handling. Suppliers who design and deliver attractive HH service offers to the target customer segment will be better positioned to attract customers from other Suppliers who do not.</p> <p>Objective D – Efficiency</p> <p>On balance, Suppliers and Agents working together against visible SMP's will promote effective 'project' working between the two and support efficient/effective hardware/people resource plans and commitments. However, availability and flexibility of resources (KPMG) to support agent HH qualifications/re-qualifications must be assured, so that any possible constraints upon agent commitments to Suppliers to deliver HH services against plan are mitigated and agent failures to qualify as planned do not become the subject of Supplier reasons for failing to deliver against their</p>

Respondent	Response	Rationale
		plan.
Haven Power Ltd	Yes	<p>The current implementation arrangements for P272 are untenable for the reasons set out below; P322 is an implementation approach which provides customers with the opportunity to select their HH supplier and/or contractual arrangements. It solves the following difficulties associated with P272 as it currently stands;</p> <p>a) Customers being forced to accept changes to contract and prices imposed by the current supplier</p> <p>b) Risk to customer billing accuracy and settlement accuracy caused by the requirement to perform the difficult change of measurement class process in the short time interval between P300 implementation of November 2015 and the current P272 implementation date of April 2016. Just over 50% of all affected metering systems will need to convert in this timeframe and this is not viable.</p> <p>c) Time is also required to allow DNOs to identify and agree maximum import capacity values with customers bilaterally as this will affect customer costs.</p>
Siemens Operational Services	No	<p>We believe that Objective C would be better served by the P272 Implement date of 1st April 2016;</p> <ul style="list-style-type: none"> it removes the period of uncertainty around pricing for the end customers; it accelerates the introduction of new HH Suppliers to the market, increasing choice for customers Suppliers can continue to bill customers as NHH even if the MS is HH Settled until contract renewal so that customers are not adversely affected.
ScottishPower Retail & Generation	Yes	<p>P272 as it currently stands will result in either the mass breaking of contracts ahead of their expiry date or a disconnect between the costs to the supplier and the bills to the customer.</p> <p>To comply with the April 2016 date Suppliers would have to change the way in which they settle for applicable MPANs but would not have the ability to reflect the associated change in costs in the customer's contract. If commercial offerings to customers are not cost reflective then there is a</p>

Respondent	Response	Rationale
		<p>significant distorting effect to market competition. It would also result in some customers being over billed and inadvertently subsidising other under billed customers. P322 is therefore a much needed modification to ensure the integrity to competition in this market.</p> <p>The alternative to a disconnection between billed and settled costs is widespread breaking of contracts and disruption to the forecasted costs of the customers and their businesses. This is completely inefficient and counter to Supply Licence obligations to act in the best interest of the customer. As such P322 considerably better facilitates BSC objectives (c) and (d).</p>
Electricity North West Limited	Neutral	<p>During the P272 Modification and thereafter when a suggested delay in the implementation date was discussed we indicated that we had sympathy with the view that the implementation date should align with contract end dates. Based on the information within the consultation it is difficult to come to a view. On the one hand it delays the implementation date of P272 so in our view is negative against objective (c), yet the planned migration approach may well better facilitate objective (d).</p> <p>We are also concerned that the current consultation does not cover off the 'compelling case' that Ofgem are looking for in order to make a decision on this Modification. We do however recognise that these arguments have been made prior to this Modification being raised but believe that they should form part of the Modification report to justify the impact this has on the P272 decision and its implementation.</p>
E.ON	Yes (conditional support)	<p>Whilst we fundamentally agree with the intention of P322, we are concerned that in its current form it carries unintended consequences on Suppliers.</p> <p>We are mindful that the existing Legal Text offers a definition of, "Renewal" which is inconsistent with that listed in the SLCs – such discrepancies may lead to differing interpretations by Suppliers and inconsistent messages for customers who are seeking renewal or other contract offers. We have proposed additional Legal Text and would strongly recommend – for the avoidance of differing interpretations across industry – that it is implemented.</p>

Respondent	Response	Rationale
Western Power Distribution	Yes	-
GDF SUEZ Energy UK	Yes	We would agree with the Workgroup that P322 better facilitates BSC objectives C and D.
National Grid Electricity Transmission	Neutral	<p>National Grid disagrees with the Workgroup's unanimous view that the proposed modification better facilitates the Applicable BSC Objectives. We are neutral with regards to Applicable Objective a) "The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence". This is because we feel that the proposed modification may be slightly detrimental against this objective (see detail below) in respect of our licence obligation to set cost reflective charges. However, we have put neutral in our response as we feel Suppliers and other BSC members may be better placed to assess the benefits of P322 against the impact on TNUoS charges and the cost of any consequential actions. Therefore our response is intended to make the Industry aware of such issues early on in the process rather than shape the P322 modification.</p> <p>Following the implementation of P272, CMP241 was subsequently implemented to prevent overcharging TNUoS by treating those meters which migrate mid-year as being Non Half Hourly (NHH) settled for the whole charging year. However for those meters which migrated across before the start of the charging year there is an option for these to continue to be treated as Half Hourly (HH) in terms of settlement and TNUoS charges as long as we receive the metering data from the Suppliers to allow us to do this. This will be a manual and data intensive exercise but manageable for the small numbers of meters involved (i.e. HH <1st April 2015).</p> <p>If the implementation date is delayed this creates the situation where a large number of meters will be classed as HH settled before the start of the following charging years (2016/17 and 2017/18). However to start settling them as HH in terms of TNUoS charging for the charging year 2016/17 and 2017/18 (as CMP241 allows) could require unmanageable manual data exchanges between Suppliers and National Grid under the current proposal. An alternative solution would be to therefore treat all meters which migrate after 1st April 2015 as being NHH settled until the start of</p>

Respondent	Response	Rationale
		<p>the charging year after the Implementation date (April 2018). This solves the issue of data and over charging but will mean that those meters which migrate early in the process do not receive cost reflective charges in terms of TNUoS until 2018/19.</p> <p>If however Suppliers wish those meters to be treated as HH then some mitigating actions need to be undertaken by the Industry and Elexon to create alternative data files/sources to allow adjusted NHH and HH data to be provided to National Grid. This then allows TNUoS charges to be efficiently levied on Suppliers and ultimately the end consumer.</p>
RWE npower	Yes	<p>We believe the following objectives are better achieved by implementation of this proposal:</p> <p>1 - Objective (c), promoting effective competition in the generation and supply of electricity, and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity.</p> <p>Justification: it is the view of many industry parties and the Authority itself, that the present implementation timescales for P272 have the potential to disrupt customers unnecessarily. With the option of the additional time that this modification is proposing, Suppliers could choose an implementation path that would reduce this impact. As a result, customers are more likely to engage positively with Suppliers in the future, particularly when considering new types of products. Effective competition is unlikely to happen in a market with a disengaged customer base, this is particularly pertinent for P272 given that much of the benefits case is built upon customer engagement and participation with new products, which may include Time of Use (ToU) products that can reduce peak load and associated costs. In addition, Suppliers who are in a position to meet or exceed the existing implementation date may be able to offer HH services to new customers, therefore putting competitive pressure onto other Suppliers to transition more quickly.</p> <p>2 - Objective (d), Promoting efficiency in the implementation of the balancing and settlement arrangements.</p> <p>Justification: extending the P272 implementation time will reduce resource costs for industry participants and increase how efficiently developments can be made alongside other industry</p>

Respondent	Response	Rationale
		<p>requirements. Additionally, many Suppliers stated in the recent BSC Panel 'P272 Extension' consultation that they would be unable or at least would struggle to achieve the existing P272 implementation date. An extension would lead to a more economic and efficient implementation than the present mandated timescales.</p>
Gazprom Marketing & Trading Retail Ltd	Yes	<p>Yes, we agree that P322 does better facilitate the Applicable BSC objectives with one important caveat; that meter type (Current Transformer or Whole Current) for profile class 5-8 customers is made available to all suppliers to enable accurate pricing of customers by the non-incumbent supplier.</p> <p>While the provision of this metering information is outside the scope of P322, the change in implementation approach proposed by P322, of linking CoMC to new contracts, means that this data becomes essential for competition within this customer segment. Without the availability of this data, an uncompetitive advantage at the next contract renewal date is handed to the incumbent supplier who will have access to the Meter Technical Details and therefore, the related DUoS tariff.</p> <p>Should the above information not be made available then it could be argued that P322 would negatively impact BSC Objective C, as it would not be promoting effective supply competition.</p>
EDF Energy	Yes	<p>P322 will allow a set timescale for suppliers to migrate customers to HH settlement, in line with the broad intent of P272 but in a manner minimising the implementation impact, so better meeting BSC Objective (d). It should also reduce inconvenience and potential unexpected contractual and price changes for customers, and promote a consistent approach among suppliers towards customers. Allowing a period of transition will allow suppliers with existing customer contracts with different durations and end times to mitigate the costs associated with the transition, which should better meet BSC Objective (c).</p> <p>Extending the current timeframe will reduce the resourcing and system issues that the industry will undergo as part of this change (BSC objective (d)). However, we believe that BSC Objective (c) would be better met if the implementation end date was brought forward to 1st April 2017, which would still</p>

Respondent	Response	Rationale
		<p>ensure 90% of current contracts will have expired, while still lessening the impact of P272 in terms of the number of contracts suppliers will have to renegotiate with customers at the same time in order to comply.</p> <p>EDF Energy has consistently supported the move to HH settlement that is mandated through P272 and is actively progressing its implementation, however for the reasons outlined above we consider that P322 is better than the current baseline.</p>
British Gas	Yes	<p>We believe the Objective C is better facilitated as it will allow suppliers more time to engage their Customers. This engagement will improve the transition to HH by improving Customer knowledge and could lead to encouraging Customers to alter their behaviour. We also believe that competition will drive Suppliers to try and complete the migration as soon as they feel is possible due to pressure from other Suppliers completing migrations earlier.</p> <p>We believe Objective D is better facilitated as the PAB will have a view of all SMPs rather than just the voluntary plans completed as part of P272. This will lead to Suppliers agreeing and completing migrations in timescales that are reasonable for them rather than trying to complete the migration to a tight deadline. Any deviation from the plan can be quickly addressed by the PAB as part of the monthly updates. The migration period will allow Suppliers to be more accurate in their work and will present less of a risk to Settlement than the quick migration that could result in remedial actions needed to address mistakes made.</p>

Question 2: Do you agree with the Workgroup that the draft legal text in Attachment A delivers the intention of P322?

Summary

Yes	No	Neutral/No Comment	Other
13	1	4	1

Responses

Respondent	Response	Rationale
TMA Data Management Ltd	Yes	-
IMServ Europe Ltd	Yes	Whilst the legal text isn't as clear as we would have wished to see in terms of articulating that these meters should be settled in the HH Market, this is consistent with BSC terminology.
Stark Software International Ltd	Yes	-
SmartestEnergy	No comment	-
Supplier 1 (confidential response)	No comment	Not Reviewed
SSE Supply Limited	Yes	-
Salient Systems Limited	Yes	-
Haven Power Ltd	Yes	-
Siemens Operational Services	Yes	Although it is included in the appendix, for clarity we would like it explicitly stated in Section Z, clause 1.4.1 (f) that the Supplier Migration Plans are for the migration of PC 5-8 MS from NHH to HH Settlement.
ScottishPower Retail & Generation	Yes	The legal text is in line with the intended consequences of P322
Electricity North West Limited	Yes	We believe the draft legal text delivers the intentions of P322. However, we believe that further modifications may need to be undertaken once consideration is given to the responses to this consultation.
E.ON	No	We have attached revised Legal Text in Appendix 1 to this consultation response and would recommend

Respondent	Response	Rationale
		<p>it to Elexon .</p> <p>Renewals:</p> <p>The current definition of, "Contract Renewal" offered in the Legal text speaks of, "revision" of contracts, as well as a renewal. This is too broad a definition as it could cover minor alterations to contractual wording. This will have the unintended consequence for Suppliers who manage one iteration of their contractual terms which is updated for all customers en masse, of creating either a) a situation whereby some customers are excluded from an update to the their existing Ts and Cs (to accommodate, for instance new legislative or regulatory changes); or b) all customers being subject to a 30 Business Day CoMC window at the same time, irrespective of their contractual/renewal position.</p> <p>We have previously expressed a desire for a CoMC to be concurrent with a contract renewal and still believe this to be the best available customer journey however the current draft Legal Text effectively introduces an unintended Implementation Date (in effect, bringing forward the date by which Suppliers' systems etc. have to be ready).</p> <p>As the Legal Text effectively brings forward the date from which Suppliers are required to migrate customers, we don't support the November start date insofar as renewals are concerned. We do however support the overall intention of the modification.</p>
Western Power Distribution	Yes	-
GDF SUEZ Energy UK	Yes	-
National Grid Electricity Transmission	Neutral	No comment
RWE npower	Yes	The legal text delivers the intent of P322 other than the point mentioned in our response to question 6.
Gazprom Marketing & Trading Retail Ltd	No comment	We have not reviewed the draft legal text in detail.

Respondent	Response	Rationale
EDF Energy	Other	<p>It is not clear from legal text how P322 would interact with the legal text for P272 and P300 which have already been approved and represent the baseline, and with the changes for P320 which may be approved. In particular, P272 legal text has changes to SP04 Supplier Charges which will come into effect on 1 April 2016 unless removed. P320 would remove SP04 charges introduced by P272, but if P320 is not approved and implemented by 1 April 2016, and P322 is approved, the issues with SP04 supplier charge data highlighted by P320 could be magnified under P322.</p> <p>In general, care will be needed to ensure that BSC changes arising from related earlier proposals (P300 then P272) do not have unintended consequences in association with later proposals (P320/P322, if approved). The proposals interact with each other, and Elexon should provide an overview of related changes to assist understanding and provide clarity on the complete sequence of BSC changes.</p> <p>Proposed BSC Sections S 2.6.1A (alternative revision to that for P272) and S 2.6.1B (new for P322) refer to data to be described in BSCP01 and submitted to SVAA in accordance with BSCP01, but the BSC itself appears to have no indication what that data is. In contrast, existing S2.6.1 refers to data to be provided by a Data Aggregator (which is implicitly aggregated meter data). It would provide clarity to indicate the nature of the data.</p> <p>Supplier Migration Plans are described, and detailed data is expected to be provided to BSCCo and the Performance Assurance Board and potentially the BSC Panel. These could contain commercially sensitive information and we assume they would be treated as fully confidential under existing Performance Assurance processes. However, it should be made explicit that the Supplier Migration Plans in support of PC5-8 half-hourly migration are confidential.</p>
British Gas	Yes	-

Question 3: Do you agree with the Workgroup's recommended Implementation Date?

Summary

Yes	No	Neutral/No Comment	Other
15	2	1	1

Responses

Respondent	Response	Rationale
TMA Data Management Ltd	Yes	Yes we agree with the proposed implementation date of 3/08/2015
IMServ Europe Ltd	Yes	The date is aligned to an approach which will reduce the impact on end – user customers and also enable a better managed exercise: it is therefore both sensible and practical.
Stark Software International Ltd	Yes	See response to Qu 8
SmartestEnergy	Other	We have no issue with an implementation date of 3 rd August which will establish reporting obligations. However, we will not be able to start migrating before 5 th November 2015 because the valid combinations will not be in MDD until that time.
Supplier 1 (confidential response)	No	Given that suppliers will be required to complete a CoMC within 30 days of contract end / CoS, imposing the date of November 2017 seems unnecessary. On that basis, 1 in 20 of the end customers affected who have contracts with a long-term price fix will have that contract broken at just the time when they can be expected to be benefitting most.
SSE Supply Limited	Yes	-
Salient Systems Limited	Yes	-
Haven Power Ltd	Yes	-
Siemens Operational Services	Yes	For practical reasons 5 November 2015 is the first possible implementation date for P322 because it is dependent on other Industry Changes including P300.
ScottishPower Retail &	Yes	The 5th of November 2015 is an appropriate date for 3 reasons:

Respondent	Response	Rationale
Generation		<p>1. It is in line with P300 and the availability of the new measurement classes. This is important for group customers that will have a mixture of measurement classes in their portfolio and will want to have a smooth customer experience in migrating their sites from NHH.</p> <p>2. It is suitably distant from an April or October contract round period to prevent a large peak at the very start of the process</p> <p>3. It provides all parties enough time to prepare from the likely decision on P322 in July 2015, including Supplier conversations with customers and agents on their preparedness. It provides Distributors enough time to accurately agree on site capacity information to allow Suppliers to accurately quote customers.</p> <p>It should be noted that Suppliers will be able to send registration flows from the 5th of November 2015 but that the registration dates for those first flows will likely be up to 21 days after (e.g. 26th of November). There is therefore a period in the first three weeks of the implementation date where the registration flows will be sent beforehand when the new measurement classes will be unavailable. ScottishPower recommends that the obligation on changing the measurement class on gains and contract renewals is therefore extended to the 26th of November 2015. The alternative is to use the 30 working day leeway (if approved) which is problematic for two reasons.</p> <p>1. It forces Suppliers that are looking to employ a concurrent CoS and CoMC process to separate them and creates a billing gap between settlement and contractual terms (e.g. settling NHH but billing HH).</p> <p>2. The process essentially has a 15 working day gap built from the start which increases the risks of missing the 30 working day timescale.</p>
Electricity North West Limited	Yes	<p>We have always recognised the concerns that the implementation of the three related changes (P272, DCP179 and P300) had on each other, in particular those expressed around the implementation of P272 being 1 April 2016 and the impact this has had on suppliers.</p>

Respondent	Response	Rationale
		<p>Prior to P322 being raised we believed there were two options available. If there was a compelling case then indeed the implementation date for P272 should be pushed back. If not, then the 1 April 2016 should be retained and those who were unable to meet the deadline should seek derogations to either a code or their respective licences.</p> <p>Based on the current legal text, we see a pragmatic approach being applied to the migration plan (although not fully supportive of the dates) and agree that such an implementation date needs to be as early as possible post the Authority approval and in advance of the October 2015 contract round.</p>
E.ON	No	As per the response to Question 2, the Legal Text effectively brings forward the date from which Suppliers are required to migrate customers. As we don't support the November start date we are unable to support an August implementation.
Western Power Distribution	Yes	-
GDF SUEZ Energy UK	Yes	An August implementation date allows the supplier migration plans to be produced for September.
National Grid Electricity Transmission	Neutral	<p>The implementation date extends the impact of CMP241 into a third TNUoS charging year. This would effectively mean an implementation date of April 2018 in terms of TNUoS charges as we would have to treat those meters migrating between April 2017 and November as 2017 as NHH for the whole year (to avoid double charging). Following on from the response to Question 1, the impact of extending CMP241 (and any subsequent Modification) across 3 charging years depends on any mitigating actions implemented and how CMP241 is treated going forward. For instance, all meters migrating after 1st April 2015 are treated as NHH until the start of the charging year after implementation, or adjusted data for migrated meters after 1st April 2015 is provided in a manageable format.</p> <p>An implementation date of April 2017 reduces the impact on TNUoS charges by one charging year. However, we are again neutral on the Implementation date as Suppliers and other BSC parties may be better placed to assess the benefits of a November 2017 Implementation date against extending the impact on TNUoS over three charging years.</p>

Respondent	Response	Rationale
RWE npower	Yes	We support that the proposed implementation date.
Gazprom Marketing & Trading Retail Ltd	Yes	Yes, we agree that a 3rd August 2015 implementation gives sufficient timing in advance of the migration plan submission deadline of 31st August 2015, however, we would welcome early sight of the template that will be required to be completed.
EDF Energy	Yes	We believe that the 3rd August 2015 implementation date will provide sufficient time to submit our Supplier Migration plan.
British Gas	Yes	We agree with the implementation date of the 3.08.2015.

Question 4: Do you agree with the Workgroup that there are no other potential Alternative Modifications within the scope of P322 which would better facilitate the Applicable BSC Objectives?

Summary

Yes	No	Neutral/No Comment	Other
13	5	1	0

Responses

Respondent	Response	Rationale
TMA Data Management Ltd	No	We would like to see an end date of April 2017 instead of Nov 2017. As mentioned by 2 work group members 90% of the contracts should have been renewed by then. It also provides an extra 12 months compared to the P272 implementation date which in itself is generous. It would be useful to add an alternative to P322 with an earlier implementation date than the existing proposal. It would allow Parties and the Authority which might support the principle of P322 but not its timescales to be able to accept rather than be contrived to reject on timescales alone.
IMServ Europe Ltd	Yes	-
Stark Software International Ltd	Yes	-
SmartestEnergy	Yes	-
Supplier 1 (confidential response)	No	P322 assumes that suppliers will have the capability to migrate electricity supplies from NHH to HH starting August 2015. This assumption is not correct in our case. It would be more realistic to include wording that acknowledges that certain suppliers must upgrade their billing and settlement capabilities before the migration can begin, and provides sufficient time for the necessary projects to be completed before migrations begin. However, this provision should NOT be allowed to push out the ultimate implementation date.
SSE Supply Limited	Yes	-
Salient Systems Limited	Yes	Proposed end date of 2/11/2017 is more generous than P322 proposer's earlier suggestions of extending P272 end date by 12 months.

Respondent	Response	Rationale
		Nevertheless, the 2/11/2017 date should be persisted and certainly not be extended further. It is more likely that an 'effective' end date when the majority of sites/contracts have been migrated will be earlier than the 2/11/2017 date – on the expectation that Suppliers will effectively engage with existing and new customers over the next 18 months.
Haven Power Ltd	No	<p>We understand the rationale for the Nov 2017 completion date is driven by consideration of the customer contract end date. The proposed date allows 95% of contracts to be transparently renegotiated on the basis of HH settlements with both existing and potential new suppliers.</p> <p>However, it would not serve customer interests if this modification proposal is rejected by the Authority on the basis of the Nov 2017 date alone.</p> <p>We therefore believe it would be sensible to propose an alternative modification with the following features;</p> <ul style="list-style-type: none"> a) Identical to P322 except for the completion date b) Completion date to be 1st June 2017 <p>The rationale behind this revised date is as follows;</p> <ul style="list-style-type: none"> a) 90% of contracts terminate by April 2017, so the majority of customer will still be afforded the flexibility of negotiating terms for their HH supply b) The month of April has considerable contract renewals and it is sensible to allow a short time interval to ensure such contracts are converted to HH settlement c) P322 currently proposes this time interval should be 30 business days for renewed and new contracts; in our answer to Q7 below we set out our rationale for 40 business days for new acquisitions. d) Hence our proposed alternative completion date of 1st June 2017.
Siemens Operational Services	No	In addition to allowing 30 days between Change of supply or contract renewal and the CoMC event we believe that the SLA for Proving Tests for Cop10 meters introduced by CP1429 should be extended until the implementation of P272 because of the volume of Proving Tests having to be undertaken by the HHMOAs as a result of the MS PC 5-8 migration

Respondent	Response	Rationale
		to HH Settlement. Increasing the SLA will allow HHMOAs to more effectively manage the resourcing for Proving Tests, thereby reducing the likelihood of data quality issue and risk to Settlement.
ScottishPower Retail & Generation	Yes	The workgroup has considered a number of different options and we believe that the proposed modification is the optimal solution.
Electricity North West Limited	Yes	This is subject to whether the responses to comments made later in this consultation are supported and adopted by the working group. If not then an alternative proposal may well be considered appropriate.
E.ON	Yes	Whilst we disagree with elements of the existing Legal Text, we do not consider there to be any alternatives which will afford customers the same level of protection.
Western Power Distribution	Yes	-
GDF SUEZ Energy UK	Yes	The group may want to consider an alternate that mandates a different implementation date for P272.
National Grid Electricity Transmission	Neutral	-
RWE npower	Yes	'Yes', we agree with the workgroup that there are no alternative solutions.
Gazprom Marketing & Trading Retail Ltd	Yes	-
EDF Energy	No	We think an earlier end date for completion of the transition to half-hourly settlement would better meet BSC objective (c), by providing a stronger incentive and limiting the opportunity for suppliers to delay unnecessarily. It would also bring forward the opportunity for the potential broader economic benefits identified during assessment of P272. We think 1st April 2017 would be a better end date, allowing well over 2 years from Ofgem's original P272 decision, and over 18 months from decision on P322.
British Gas	Yes	-

Question 5: Do you agree with the Workgroup's recommended Implementation approach where Suppliers must submit initial Supplier Migration Plans by 31 August 2015, subject to 3 August 2015 Implementation Date?

Summary

Yes	No	Neutral/No Comment	Other
18	0	1	0

Responses

Respondent	Response	Rationale
TMA Data Management Ltd	Yes	Yes we agree with a submission deadline of 31/08/2015 provided that P322 has an implementation date of 3/08/2015. The Industry has been aware of P272, its impact and the need to have plans in place for over 6 months. Suppliers should have internal plans in place, it should only be a case of providing the information in the required format.
IMServ Europe Ltd	Yes	One of the significant benefits (and controls) of this Modification is the mandatory submission of plans for approval. It is therefore essential that these are submitted in advance of the mandatory start date with sufficient contingency time for review and potential update. Whilst the timeframe between implementation and plan submission date is short, Suppliers will have already been making such plans under the requirements of P272 and therefore should be prepared and able to meet these timescales.
Stark Software International Ltd	Yes	See comments later on 'Contracts about to complete' under Qu 10.
SmartestEnergy	Yes	It makes sense to take this opportunity to hardwire in some reporting obligations which were not part of the original P272 requirements. We understand that it is not necessary to start until the first contract renewal which occurs after the date of 5th November 2015.
Supplier 1 (confidential response)	Yes	-
SSE Supply Limited	Yes	This is on the understanding, once the Implementation Date has been confirmed, this is

Respondent	Response	Rationale
		communicated out, giving Suppliers additional time to prepare these migration plans
Salient Systems Limited	Yes	P322 requirements might benefit from more specific advice/guidance to Suppliers who have contracts falling for renewal prior to 1/8/2015.
Haven Power Ltd	Yes	Suppliers should already have performed significant planning work in support of the current implementation date of 1st April 2016 so should be readily capable of providing plans by August 2015.
Siemens Operational Services	Yes	<p>As a Supplier Agent we will be actively engaging with our Suppliers to help them draw up their SMP and produce a consolidated plan for ourselves.</p> <p>We do have concerns around the controls for the SMP submission to PAB:</p> <ol style="list-style-type: none"> 1) What does it mean that the Suppliers have agreed their SMP with their Agents? What will be the evidence that this has been done? 2) What will be the escalation route for Agents if SMPs to which they have not agreed are submitted to the PAB?
ScottishPower Retail & Generation	Yes	The August deadline is appropriate to allow Elexon and PAB sufficient time to review the plans while also providing enough time for Suppliers to develop suitable information. We expect that other Suppliers will be similar to ScottishPower in that they are already actively working on the implementation of P272 and therefore the formulation of the plan is already on their agenda. Likewise the information required for the plan should also be at the centre of existing implementation plans.
Electricity North West Limited	Yes	This does seem a reasonable approach.
E.ON	Neutral	Whilst we believe the timescale to be challenging as per previous points we accept the need for clarity on Supplier Migration Plans.
Western Power Distribution	Yes	-
GDF SUEZ Energy UK	Yes	Yes, providing the SMP is essential to give the market confidence that all parties are engaging in the migration and have everything in place to meet their obligations. The time allowed to provide the SMP is not ideal but we recognise the tight time frames that P322 is working to and that most

Respondent	Response	Rationale
		parties should have made progress with P272 migration plans before P322 implementation.
National Grid Electricity Transmission	Yes	The sooner data is provided in terms of migration numbers of meters, the better it is for National Grid in trying to determine end of year TNUoS liability. The current NHH and HH demand data we receive from Elexon is not the actual demand data we will invoice on due to the effects of CMP241. Therefore any data which aids forecasting and our view on end of year reconciliation would be greatly appreciated.
RWE npower	Yes	Under P322, Suppliers will be able to migrate most customers to HH settlement in a less disruptive manner from November, to coincide with P300. Plans must be submitted for approval before this date. The 31st August 2015 should allow Suppliers enough time to draft these plans. We support the view that Elexon / PAB should provide support to suppliers on what steps are reasonably expected in submitting and delivering the SMP.
Gazprom Marketing & Trading Retail Ltd	Yes	Yes, but as stated above we would like as much notice/early sight of the template that will need to be completed.
EDF Energy	Yes	We believe that initial SMPs should be achievable by 31st August 2015, subject to implementation of P322 by 03 August 2015.
British Gas	Yes	We agree that the 31.08.15 is an appropriate deadline for the SMPs. We believe that the plans should be reviewed by the supplier OSMs and the PAA prior to the PAB meeting on the 24.09.15. This will allow the OSMs to provide initial feedback to Suppliers giving Suppliers the opportunity to provide more information or to clarify points in their plan prior to PAB reviewing it. We believe this will improve efficiency by reducing the possibility of plans to being rejected by the PAB.

Question 6: Do you agree that under P322 Suppliers should be required to migrate any applicable MS to HH Settlement where it gains or where the contract is renewed from 5 November 2015?

Summary

Yes	No	Neutral/No Comment	Other
14	2	0	3

Responses

Respondent	Response	Rationale
TMA Data Management Ltd	Yes	Yes we agree as long as it is clear that it is the minimum requirement Suppliers must comply with. Suppliers can migrate the relevant sites before contract renewal. We would also suggest that for sites in pc 5 to 8 with advanced metering as defined for p272/p322 whose contracts are renewed on 01/10/2015, Suppliers could include a clause to have the MC changed from NHH to HH during the contract. The misalignment of DCP179, P300 and P272 implementation dates and contract round is unfortunate but it is not an insurmountable obstacle.
IMServ Europe Ltd	Yes	In order for this Modification to deliver a better result than P272, there needs to be an element of compulsory migration volume by date. There are various options that could be used to derive this, however the trigger events recommended are reasonable and provide a level playing field for all. They will also have least impact on the customer of all options. This also enables the customer to consider alternative providers without any risk of incurring contractual penalty clauses.
Stark Software International Ltd	Yes	-
SmartestEnergy	Yes	-
Supplier 1 (confidential response)	No	1) The date of 5 November 2015 does not allow enough time for the new DUoS costs to be analysed and a suitable customer tariff to be constructed. 2) Certain suppliers will not have HH settlement and billing capability by November 2015.
SSE Supply Limited	Yes	-
Salient Systems	Yes	-

Respondent	Response	Rationale
Limited		
Haven Power Ltd	Yes	It is sensible to mandate this start date to avoid back-loading the migration which was observed in the original migration plans from Suppliers.
Siemens Operational Services	Yes	This must be part of a managed process, which would include updated SMPs agreed with the appropriate Supplier Agents, in order that the Supplier Agent could modify their own transition plans
ScottishPower Retail & Generation	Yes	<p>There are two key points which required all gains and contract renewals to be migrated to HH after the implementation date:</p> <ol style="list-style-type: none"> 1. No Supplier should be able to undermine the process by offering NHH contracts to customers that under P272 should be trading as HH. This would unfairly distort the market and potentially penalise those Suppliers that are complying with the obligation. We also need to be fair to customers by ensuring they can only be quoted based on the obligations and prevent them from being disrupted mid-contract at a later date. 2. Changing the measurement class at a contract expiry event is the most efficient method of complying with P272. If this was not a condition then the risk of not meeting the proposed timescales under P322 would increase significantly as Suppliers potentially delay the measurement class change for as long as possible.
Electricity North West Limited	No	<p>We can understand the use of such a date in that it aligns with P300 and mitigates the need to migrate customers twice between HH Measurement Classes (MC). However we have a concern that the 1st October 2015 is a critical contract round with significant customers being impacted. We would not want to see this spike of contracts moving significantly to the right of the graph provided in the consultation document.</p> <p>We believe that this may be avoided by either:</p> <p>Having separate dates for CT Advanced Meters and non CT (whole current) Advanced Meters. The former being effective from the 1st October 2015 and the latter the 5th November 2015; or</p> <p>Building into the supply contracts a clause that necessitates HH settlements w.e.f. the 5th November 2015 i.e. ensure that the supplier is</p>

Respondent	Response	Rationale
		<p>mandated to negotiate a contract that ensures any contract prior to the 5th November 2015 enables HH settlement from this date.</p> <p>We understand the concerns suppliers have regarding the Maximum Import Capacity of CT metered customers. Continued work in this area is essential by distributors to minimise customer impact. This seems to have been discounted from the need to report such activity to PAB yet is continually raised as a concern that suppliers have.</p>
E.ON	Yes (conditional)	We would be more comfortable were the Legal Text amended in line with our proposal. We consider that the risk of using the existing wording is that minor amendments to Ts and Cs (for instance, a change in wording or the introduction of a new clause to account for a legislative change) would be captured by the definition ("revision" of a contract) and would therefore start the 30 Business Day process – we don't believe this is the intention of the Modification.
Western Power Distribution	Other	This seems a reasonable approach although migrating on contract renewal would cause peaks in April and October. However, suppliers and agents are best placed to comment on this.
GDF SUEZ Energy UK	Yes	This approach will ensure that the migration to HH is phased over the migration period. It will also improve the customer experience with the majority of customers being able to see out their current contractual terms.
National Grid Electricity Transmission	Yes	Yes as it makes the plans submitted more reflective of actual migration. However extending the implementation date may mean that MSs which would gain from HH settlement in terms of TNUoS charging do not see the benefit until the charging year after the Implementation date.
RWE npower	Other	<p>The intent of P322 is to allow customers to migrate to HH settlements without disruption. In most cases this is best achieved on contract renewal where Suppliers can make appropriate arrangements with the customer. For this reason we support the requirement that Suppliers must migrate new and renewed contracts to HH settlement in a timely manner between the modification start and end dates whilst being clear and transparent with the customer.</p> <p>However, as the modification is drafted, customers who have agreed NHH contracts with a Supplier</p>

Respondent	Response	Rationale
		<p>prior to the 5th November 2015 with a start date after the 5th November 2015 will be required to have that NHH contract interrupted and replaced with a HH contract within 30 days of the start date. It is normal to agree these contracts up to 6 months in advance, on average.</p> <p>Suppliers will not be in a position to offer HH contracts to most customers before 5th November. Many of these customers are likely to enter in to contracts which will naturally renew prior to the end date of this modification, giving the appropriate Supplier opportunity to include these customers within the SMP.</p> <p>We propose the modification takes into account customers who have previously agreed NHH contracts with Suppliers, before November 2015 and allow them to endure until either the next contract renewal (perhaps in 2016 or 2017) or the P322 end date, whichever is earlier.</p> <p>This addition to the modification will better meet the objectives as fewer customers will experience contractual disruption but achieve the same end point where all customers will have moved to HH settlements.</p> <p>We propose the following options to resolve this issue:</p> <ol style="list-style-type: none"> 1. Amend the definition of contract start to refer to contract is agreed rather than when the contract becomes effective. This would also require a change to the requirement for migration to HH Settlement within [30] Business Days. 2. Change the 5th November 2015 start date to 1st April 2016, which would take into account the majority of these contracts. <p>For both solutions, momentum of plans would be achieved by the requirement to submit and comply with Supplier Migration Plans. We feel strongly that customers who agree NHH contracts prior to 5th November 2015 in good faith should not be disrupted as a result of this modification. Our preference is for solution 1 as it will lead to fewer customer contracts being interrupted however, we are keen to accommodate the views of others into the solution.</p>
Gazprom	Other	We agree that this is the most simplistic approach

Respondent	Response	Rationale
Marketing & Trading Retail Ltd		<p>to take; however we remain concerned that this approach will negatively impact customers that have signed contracts many months ago but where the supply start date is later than the 5th November 2015.</p> <p>One of the main drivers of P322 is that as few customer contracts are impacted as possible. We believe it is a slightly perverse outcome that there will have been contracts signed a number of months prior to P272 being approved by Ofgem, which may need to be re-negotiated to transition to HH settlement. Whereas contracts can continue to be signed as NHH now, months after P272 approval and providing they have a supply start date prior to 5th November 2015, can run their course (until November 2017) uninterrupted.</p>
EDF Energy	Yes	<p>EDF Energy believes a consistent approach across the industry is important for customers and suppliers. This mandatory start date ensures customers will be treated consistently by all Suppliers representing a fairer and more efficient outcome.</p> <p>This is subject to:</p> <ul style="list-style-type: none"> • Where attempts to reprogram the meter fails, extension to the existing NHH contract may be required while further investigations are undertaken. This may lead to a site visit for rectification or the meter being re- classified as a non advanced meter. • Capacity of meter agents to undertake the number and rate of transfer requests.
British Gas	Yes	<p>Yes we agree that from the 5.11.15 Suppliers should be required to migrate applicable MS to HH settlement for any acquisitions or contract renewals. This will allow Suppliers to use the new Measurement Classes introduced via P300.</p>

Question 7: Do you agree that under P322 Suppliers should be required to complete migration to HH Settlement within 30 Business Days of a change of Supply or Contract Renewal?

Summary

Yes	No	Neutral/No Comment	Other
12	6	1	0

Responses

Respondent	Response	Rationale
TMA Data Management Ltd	Yes	The 30 WD to complete a logical COMC is more than adequate.
IMServ Europe Ltd	Yes	It would not be sensible or practical to attempt to undertake a CoS and CoMC concurrently therefore it is essential to agree a timeframe for completion. We do not support anything less than 30 BD, are happy with the 30 BD however similarly would support any extension to this which may be proposed.
Stark Software International Ltd	Yes	Although Stark is well equipped to deal with its current volumes, there will be considerable pressure on DCs and especially MOPs to re-program, to provide final reads and MTDs after April and October 2016 based on the contract termination profiles provided. PAB flexibility on approving Supplier plans may be required at these times.
SmartestEnergy	No	To complete a CoMC so quickly after a CoS is unlikely in 30 business days. 60 would be more reasonable. This would allow for the usual 3-4 weeks to process existing metering details past Supplier Start Date and then another 30 days to actually manage the CoMC (which will involve all the test dialling preparation the MOPs have to do prior to the actual dataflow processing.)
Supplier 1 (confidential response)	Yes	Subject to this obligation only applying once HH billing and settlement have been properly introduced
SSE Supply Limited	Yes	This is on the understanding, where there is a 'peak' contract month, the Supplier can declare in their submitted plans, the smearing of these migrations over a number of months.
Salient Systems Limited	Yes	Suppliers may favour re-appointment of existing NHHMO agents prior to contract renewal dates to new NHHMO agent where that new agent will also

Respondent	Response	Rationale
		<p>become the eventual HH agent in the event that the existing NHH agent will not become HH qualified. Positioning of NHH and HH agent at the same agent organisation will be a more effective arrangement to prepare for and execute the planned CoMC events.</p>
Haven Power Ltd	No	<p>We agree with the 30 business day deadline in the case of sites already on supply being migrated at point of renewal, as the supplier will be in possession of all the information necessary to facilitate the migration to HH.</p> <p>However, the situation is different for new acquisitions as the Supplier does not have prior knowledge of critical information, including;</p> <p>a) Whether the metering system is CT or WC – this determines the new measurement class ID</p> <p>b) Whether the AMR metering is fully operating as advanced (i.e. recording HH consumption and remotely read)</p> <p>We suggest for the change of supplier case the migration timescale should be increased to 40 business days to allow for this. Generally we expect meter technical details (including CT/WC information) and for the remote reading performance of the meter to be established in 10 business days. Customers can in principle delay contract acceptance until close to the supply start date hence the rationale for proposing an additional 10 business days to 40 for new acquisitions.</p>
Siemens Operational Services	Yes	<p>We would agree that the migration can be completed in 30 Business Days in the situation where there is no Change of Agent. This is due to the DC and MOA already have access to the meter and therefore can carry out the CoMC in the 30 business days.</p> <p>However where a Change of Agent is required, the proposed timescales of 30 days will be unable to be met, this is due to the HHMOA being dependent on the Supplier to provide the Measurement Class information before the process can commence, this could take more than 30 days if a Proving Test retest is required on a Cop10 meter.</p> <p>The requirement should be that where a Change of Agent event is required the migration should have commenced within 30 Business Days of change of Supply or Contract Renewal.</p>

Respondent	Response	Rationale
ScottishPower Retail & Generation	Yes	Ideally Suppliers should aim to minimise the gap between contract start date and change of measurement class date. There is a natural incentive to do so in order that the billing, settlement and contractual terms are aligned however the 30 working day period seems a reasonable timeframe. It should be recognised that this is a provision to mitigate the risks of large volumes or poor quality data on gains. Therefore it should be seen as highly exceptional for any Supplier to transgress the 30 working day limit.
Electricity North West Limited	No	It is not clear why it should take so long to undertake this activity. A better understanding, within the Modification report, would help to understand whether this is a sensible timetable covering off the types of concerns that suppliers and their agents have in this process. We however would expect that the effective start date is aligned with either the change of supplier date or the contract renewal date and that it should also cater for instances where an Advanced Meter should have already been installed (in order that the supplier complies with their Licence) but hasn't been and as such a meter is installed within this timeframe as part of the CoMC process.
E.ON	Yes	We are comfortable with the concept of migration on renewal and acquisition, and would consider it to be prudent given the material impact that P272 has on customers.
Western Power Distribution	Yes	If 30 business days provides sufficient time scale to avoid peaks in April and October. Again, Suppliers and Agents best placed to comment on this.
GDF SUEZ Energy UK	No	<p>After a COS as a gaining supplier we will need to ensure that all correct information (MTDs etc.) has been received, that metering equipment can be successfully dialled and potentially obtain a MIC from the DNO before processing the COMC. This could take up to a month in some instances, due to this a 40 Business Day lead time would be more sensible.</p> <p>Extending the time allowed to complete the migration will also allow suppliers and their agents slightly more leeway during contract rounds and when a large multisite customer has been transferred.</p>
National Grid	Neutral	No comment

Respondent	Response	Rationale
Electricity Transmission		
RWE npower	No	<p>In our view the 30 Business Days may be unnecessarily restrictive in some scenarios, for example:</p> <ul style="list-style-type: none"> • When a customer has appointed their own agent and the Supplier does not have a pre-existing relationship with that agent. • The I&C / SME contract rounds in April / October where Suppliers may be required to transition large numbers of MPANs to HH within that period. • Agents may be required to migrate large volumes for different Suppliers concurrently. • For contract renewals, a change of supplier ID may be required for some suppliers. <p>A key argument for supporting P322 is that customers are not adversely impacted by the effects of a large scale migration over a short period. For this reason we believe either 45 Business Days or as soon as practicable (refer to question 6, solution 1) would be more appropriate. This will not influence the overall migration pattern of sites to HH settlement or the P322 end date.</p>
Gazprom Marketing & Trading Retail Ltd	No	<p>We believe this timescale is insufficient to account for the complexity of the Change of Measurement Class process. For example, there will no doubt be circumstances where a site visit is required due to unforeseen issues that have arisen.</p> <p>We would propose a timescale of 45 business days to complete the migration.</p>
EDF Energy	Yes	EDF Energy agrees Suppliers should complete the migration to HH settlements within 30 Business Days, subject to the response to question 6.
British Gas	Yes	Yes we believe that 30 Business Days is appropriate to complete the Change of Measurement Class on a Change of Supply. We believe that it is sensible to include an extension to this deadline subject to the approval of the PAB.

Question 8: Do you agree with the Workgroup's recommended implementation approach where Suppliers must have migrated all applicable MSs by 2 November 2017, subject to P272 Implementation Date being amended to align with this date?

Summary

Yes	No	Neutral/No Comment	Other
11	5	0	3

Responses

Respondent	Response	Rationale
TMA Data Management Ltd	No	Please see response to question 4.
IMServ Europe Ltd	Yes	There must be a cut-off date and the date proposed is realistic and sensible having been based on live and up-to-date information provided by the Supplier community.
Stark Software International Ltd	Yes	However Stark is able to implement at any time and would support earlier migrations well ahead of this date.
SmartestEnergy	No	Please see answer to Q1. Also, we note that 80% of contracts will have renewed by October 2016. Why wait a further year for the remaining 20%? It makes sense to us, and to be good for competition, for the remaining 20% at least to be migrated before their contract renewal.
Supplier 1 (confidential response)	No	This date appears to have been chosen such that 95% of relevant MS will have expired contracts by then. But the remaining 1 in 20, who can be expected to be entering the time when they benefit from a long-term fix (having enduring a relatively higher price in the early years of the contract) will be especially disadvantaged. Given the obligation to migrate within 30 days of contract end / CoS, this additional deadline may do more harm than good (especially as the impact on settlement will be tiny).
SSE Supply Limited	Yes	-
Salient Systems Limited	Yes	-
Haven Power Ltd	Yes	This date has been determined from evidence of contract end date and is designed to allow the

Respondent	Response	Rationale
		majority of customers the freedom to choose their HH supplier and/or contract, rather than have price changes imposed by the current supplier.
Siemens Operational Services	No	For the reasons stated in the reply to Question 1 the migration should be completed by 1st April 2016.
ScottishPower Retail & Generation	Other	<p>It is important to remove the subjectivity of the proposed completion date and use a logical methodology in establishing a timeframe that is challenging, deliverable and does not create a negative customer experience.</p> <p>The methodology applied by the workgroup is both logical and sensible and provides a clear view of the opportunity to convert customers. November 2017 is particularly appropriate as it is the time where the rate of conversion opportunity starts to flatten and it is a suitable distance from the April and October contract rounds. Proximity to a contract round is important as there is no incentive for a losing Supplier to change beforehand while the gaining Supplier has the obligation to change on that date.</p> <p>An earlier completion date will succeed only in disrupting the contracts for an additional volume of customers for very little benefit. The completion date does not prevent Suppliers and customers who wish to move earlier from doing so.</p> <p>A later completion date has merits but based on the data it covers relatively few extra opportunities which on balance looks to be slightly generous.</p>
Electricity North West Limited	No	The continued delay to the implementation of P272 will affect competition in the supply market. As part of the consultation on the implementation date of P272 we suggested that it be delayed until October 2016. As a maximum the end date should be no later than 1st April 2017. This represents a twelve month delay to P272 and over two years and five months since the Authority decision, and even longer when you consider their minded to decision to consult on the implementation date. According to the evidence provided by suppliers in this consultation, a significant amount of contracts should be renewed by the 1st April 2017. This will ensure that if the start date is not amended (covered in an earlier consultation comment) any contracts negotiated pre this date (05 November 2015) are not significantly delayed. Whatever the end date is there will be some contracts that go

Respondent	Response	Rationale
		beyond this date and as such the supplier concerned should seek a derogation.
E.ON	Yes	We believe this date to be better for industry and for customers. On balance, this date is a reasonable compromise between rapid delivery as required by industry, and good customer experience. From an industry perspective, a 24-month migration window will help ensure that negative consequences to settlement performance can be mitigated, and will enable suppliers to undertake additional customer engagement, potentially leading to a more successful migration against SMPs as there could – arguably – be less resistance from engaged customers. From a customer perspective, a 24-month window will enable Suppliers to manage their migrations in line with contract discussions which will provide a smoother transition for customers who may not be au fait with HH arrangements, and will largely mitigate the risks of mid-contract disruption for customers, whether such disruption stems from a change in billing or a change in charges.
Western Power Distribution	Yes	-
GDF SUEZ Energy UK	Yes	Based on the contractual end date information provided by parties November 2017 seems a sensible amended implementation date for P272, as the majority of customers will have agreed a new (HH) contract before this date.
National Grid Electricity Transmission	Yes	As the Implementation date is mid charging year, due to aggregation of demand data we would treat those meters migrating across between April 2017 and November 2017 as NHH for the full charging year to avoid 'overcharging'. Therefore any delay past November 2017 would not affect this approach in terms of TNUoS charging as long as the migration does not slip past April 2018.
RWE npower	Other	We support the principle and that the 2nd November 2017 date will allow many customers to migrate to HH settlement in an orderly fashion, without disruption to contractual arrangements. There are arguments for a 22nd February 2018 date, which will allow the benefits of P322 for additional customers. These are: <ul style="list-style-type: none"> November is close to the October contract round where Suppliers are uncertain what

Respondent	Response	Rationale
		<p>new gains may be acquired. This could include large numbers of NHH AMR meters.</p> <ul style="list-style-type: none"> • Most contracts complete at month end, so it is likely that customer contracts which end in October 2017 will need to be interrupted early, before completion given that the 2nd November date does not allow time for a transition to HH settlements. This is not the case for the 22nd February which will allow some time for migration for contracts ending in January 2018/beginning 1st February. • With reference to numbers provided by the industry RFI, it is likely that around an additional 1,000 customers across the industry will not need to be contractually disrupted with a February 2018 date compared to the November 2017 date. <p>We welcome the views of other respondents and the workgroup members on these points.</p>
Gazprom Marketing & Trading Retail Ltd	Yes	<p>Yes, we believe a November 2017 end date strikes the right balance. It will allow the vast majority of migrations to occur at the point of a new contract, while spreading out the resource/workload requirements for suppliers and agents over a longer time period.</p> <p>We do not believe the date should be extended any further than November 2017.</p> <p>As stated in question 1, our support for the extension of the end date from April 2016 to November 2017 is on the basis that WC/CT data is made available to all suppliers.</p>
EDF Energy	Other	<p>EDF Energy agrees an implementation end date should be included which is an extension from the current P272 implementation date. Should an extension to the implementation deadline be granted we believe P272 implementation could be achieved in a way that would give customers a less negative experience. Therefore we believe there would also be less impact on the trust between customers and suppliers.</p> <p>The rationale for 2nd November 2017 is based on evidence from the P322 RFI that 95% of contracts will have expired by that time. However, we believe that BSC Objective (c) would be better met if the</p>

Respondent	Response	Rationale
		<p>implementation end date was brought forward to 1st April 2017, which would still ensure 90% of current contracts will have expired, while still lessening the impact of P272 in terms of the number of contracts suppliers will have to renegotiate with customers at the same time in order to comply.</p> <p>Suppliers signing up customers after the authority decision to implement P272 and whose contracts extend past P272 implementation date would be aware that the site would be required to be settled HH. The Supplier should make certain the customer is aware of P272 and that contracts may be varied due to mandatory changes to the BSC.</p>
British Gas	Yes	Yes we agree with the Workgroups recommended implementation approach that Suppliers must migrate all applicable Metering Systems by 02.11.17.

Question 9: Do you believe that Suppliers should provide SMP information at a GSP Group level?

Summary

Yes	No	Neutral/No Comment	Other
13	5	1	1

Responses

Respondent	Response	Rationale
TMA Data Management Ltd	Yes	Yes, GSP level information can be used by LDSO and TC if/when required. As it is an information field held by Suppliers, it would be useful to include it to ensure that the data submitted can be used by LDSOs and the TC.
IMServ Europe Ltd	No comment	-
Stark Software International Ltd	Other	No view, but we can't see any particular merit in providing at GSP level as CoMC is not geographically weighted and should therefore be evenly spread.
SmartestEnergy	No	This is unnecessary and additionally burdensome
Supplier 1 (confidential response)	Yes	Providing this information at GSP Group level is no hardship, and may well enable the PAB to foresee and subsequently prevent capacity problems for supplier agents.
SSE Supply Limited	No	This is an addition work requirement which we would question its benefit / purpose, given the relatively small numbers of Meter System registration changes in the market as a whole
Salient Systems Limited	Yes	If this is would assist TC and/or Distributors.
Haven Power Ltd	No	The plans consist of a mix of renewed contracts and newly acquired contracts. Supposing a Supplier's renewal rate is 50% and the Supplier aims to broadly maintain constant customer numbers - then only half of the SMP volumes will be based on firm data. We believe requesting the plans at GSP Group level is not sensible and could result in false precision.
Siemens Operational Services	No	As an Agent we feel that this is a decision for the Suppliers. However we do understand that monthly information summarised to GSP would be of benefit to the DSOs and TC.

Respondent	Response	Rationale
ScottishPower Retail & Generation	Yes	If it is request by the PAB then GSP level information should be provided. There is a balance between having detailed information and creating unnecessary complexity which the PAB is very good at judging. The data is available at this level if required.
Electricity North West Limited	Yes	<p>It will be really useful for suppliers to provide migration plans at a GSP Group level.</p> <p>However, it seems to be the intention of this Modification that distributors are not privy to such volumes. It is our opinion that such information will assist us in managing the expectation of suppliers when you consider that we may have:</p> <p>(a) bulk agent migrations taking place at the same time; and</p> <p>(b) internal planned work on our systems.</p> <p>Not forgetting of course the assistance we can provide associated with Maximum Import Capacity queries.</p>
E.ON	Yes	No comment.
Western Power Distribution	Yes	SMP should be provided to DSO's with aggregated numbers of MSs being migrated summed at GSP Group by month.
GDF SUEZ Energy UK	No	The more granular the information required the more strain on parties resource providing the SMPs will become. Given the time frames that the SMPs will be required to be produced in providing this information at GSP Level may be difficult for some parties, particularly smaller suppliers.
National Grid Electricity Transmission	Yes	<p>TNUoS tariffs vary per Demand zone. To accurately forecast end of year TNUoS revenues (which is an external audit requirement for National Grid as well as being required to forecast future tariffs), National Grid need to be able to understand in detail monthly demand figures and use this data to then forecast a full year's TNUoS revenue. To do this this accurately we need the ability to match the change in monthly NHH and HH demand volumes per demand zone to the driver of the change (e.g. whether the change is due to increased/reduced demand or if it is due to meters moving from NHH to HH). This will better achieve Applicable BSC objective a).</p> <p>This mapping must already be there as data received from Elexon is separated out per Demand</p>

Respondent	Response	Rationale
		Zone. Therefore we don't feel that this data request should prove too onerous on Suppliers to do whilst providing real benefits to the Transmission Company.
RWE npower	Yes	We do not see the requirement to submit initial SMP information at GSP level as burdensome for Suppliers so this should be included within the modification. This will give National Grid and Distributors a collated and anonymised view of planned Supplier rollout activity. Monthly Supplier updates should not be at GSP level as we do not believe this information should be shared outside of the ELEXON monitoring process.
Gazprom Marketing & Trading Retail Ltd	Yes	Yes, we are comfortable at providing migration plans at GSP group level if National Grid's and DNO's tariff setting will be aided. This should be of benefit to suppliers and consumers when future tariffs are confirmed.
EDF Energy	Yes	Providing the data at a finer level of granularity might help Distribution Network Operators (DNOs) forecast charges more accurately. However this will take additional resources, time and validation.
British Gas	Yes	We can provide the GSP level information in our SMP but we do not know if the number of migrations will be accurate from the initial Supplier Market Plan. A number of customers can opt to Change Supply altering the shape of our migration and ultimately delaying their migration by up to 30WDs when moving to a different Supplier. We believe that the plans can provide an indication of how many sites are moving to HH but the regular updates to the PAB will provide a more accurate representation of GSP level migrations.

Question 10: Do you have any further comments on P322?

Summary

Yes	No
10	8

Responses

Respondent	Response	Comments
TMA Data Management Ltd	No	-
IMServ Europe Ltd	No	-
Stark Software International Ltd	Yes	We understand that there are around 30,000 contracts to be renewed between now and the 5th November 2015. These are not obliged to renew as HH under this proposal and therefore are likely to remain NHH. If they were all renewed for a two year NHH term, this would put considerable pressure on the period immediately prior to 2nd November 2017 which would be undesirable and would negate the point of P322. Should there be a restriction on the maximum term of any NHH contract for these 30,000 eg 12 months?
SmartestEnergy	Yes	<p>We believe that the report updating frequency should not be monthly (requirement 2.7) if the end date is Nov 2017. Quarterly should suffice. Monthly would be more appropriate if the migration period were under a year.</p> <p>We note that one of the requirements (2.2) is that "Suppliers shall declare that they have agreed their SMPs with the HH Data Aggregator (HHDA), HH Data Collector (HHDC) and HH Meter Operator Agent (HHMOA) that would be responsible for the MS." We believe it should suffice to have made reasonable efforts to engage with agents. We will be engaging with our agents throughout this process and many agents would prefer we did so they know what they are working with. However, we can give no guarantees that the agents will engage or agree with us.</p>
Supplier 1 (confidential response)	Yes	The reporting requirements seem quite heavy and will introduce an additional overhead. Perhaps more straightforward standard reporting (actual / planned migrations by GSP group by month) would be more suitable, with PAB retaining the right to demand more detailed information when it detects that a

Respondent	Response	Comments
		supplier is falling behind.
SSE Supply Limited	No	-
Salient Systems Limited	No	-
Haven Power Ltd	Yes	For new acquisitions the incoming supplier (and in the majority of cases the customer) will not know at the time of providing a quotation whether the meter is CT or WC. This affects the prices offered as the DUoS unit charges and the existence of MIC and reactive charges are dependent on CT/WC. Elexon should seriously consider requesting this information from meter operators at MPAN level and providing this to all suppliers, with suitable legal protection because Elexon cannot warrant such information. Such a facility will support the spirit of P322 by helping Suppliers provide quotations to customers and will help Suppliers plan for the CoMC migration process as the new measurement class can be determined in advance.
Siemens Operational Services	Yes	<p>As a Supplier Agent we have concerns around Suppliers' intentions for the 30% (according the RFI data) of the Industry portfolio of PC5-8 MS that are due for contract renewal in October 2015. Will these meters be migrated to HH Settlement following 5th November using the 30 Business days allowed between contract renewal and CoMC, or will they be renewed on NHH contracts which could then change the migration profile in a manner that is unacceptable to the Authority?</p> <p>We consider that the evidence of sign-off of SMPs by Supplier Agents will be a factor in the success of the migration and that there should be a mechanism for Supplier Agent escalation when this has not happened.</p> <p>The Change of Measure Classes process is recognised a major Issue of non-compliance across the Industry for many years. Although various attempts have been made to try and resolve it, these have been for much lower volumes meters than those involved in the migration to meet the requirements of P272. In addition the situation has been exasperated by the introduction of the</p>

Respondent	Response	Comments
		<p>requirement to perform Proving Tests on CoP10 meters.</p> <p>Consideration should be given to amending the SLA for Proving Tests for CoP10 meters introduced by CP1429, with an extended SLA until the implementation of P272, due to reasons stated in the answer to Question 4. With the 15 day SLA for Proving CoP10 meters we think that no HHMOA will be BSC Audit compliant until after this migration is completed.</p>
ScottishPower Retail & Generation	Yes	<p>P272 is one of the most considerable changes to the BSC arrangements since de-regulation and the risks of a hasty implementation are significant. It is not just the risks to efficiency and competition detailed above but importantly the risks to the customer experience. It would do no favours to an industry which has challenges in the perception of its customers to foist on them a change in the middle of a contract agreed in good faith, all because of a regulatory deadline.</p> <p>P322 addresses all these risks and issues and has the customer experience at the centre of its considerations. If implemented then all parties will have clear direction and a logical set of actions to enable customers to make the change to HH.</p> <p>While not strictly a consideration for P322 we would like to highlight the risk of incorrectly allocated measurement classes as a result of Suppliers inability to know the meter type (CT or WC) before the change of supply. We are aware of attempts to include in the ECOES data which have to date not been successful; however the issue remains very real and without a change to the accessibility of this information then the risks to customers and settlement allocation are potentially significant.</p>
Electricity North West Limited	Yes	The legal text associated with P272, Annex S-1 seems to be unaltered. Does this live on post P322?
E.ON	No	-
Western Power Distribution	No	-
GDF SUEZ Energy UK	Yes	We believe that P322 is an improvement on the P272 modification. Mandating that customers should move at the end of their existing contracts is a much more sensible approach and will greatly improve the customer experience and perception of

Respondent	Response	Comments
		P272.
National Grid Electricity Transmission	Yes	National Grid is overall neutral on P322 as many of the issues do not impact on National Grid. However CMP241 was designed around an implementation date of April 2016. As explained in detail in our Impact Assessment and previous questions, any delay in the Implementation date would necessitate National Grid investigating the impact on TNUoS charging and how those meters affected are charged. Therefore, Suppliers need to be aware that any change in the Implementation date will require further changes to other codes, and current data flows to help TNUoS charges remain costs reflective and efficiently applied.
RWE npower	Yes	Regardless of P322, most Suppliers will be progressing the implementation of P272. This will not change until the industry have a final decision from the Authority to approve P322, or not. This decision from the Authority will drive Supplier activity more than the actual implementation of P322, as such a swift decision from is key to delivering the benefits of this modification for customers. Should P322 be approved, there may need to be consequential changes to the BSC (CP1433) and CUSC (CMP241).
Gazprom Marketing & Trading Retail Ltd	No	-
EDF Energy	No	None at this time.
British Gas	No	-