

CMP266 'Removal of Demand TNUoS charging as a barrier to future elective Half Hourly settlement'



CUSC Panel – 28 October 2016
Code Governance Team

Background

- CMP266 seeks to prevent double charging of TNUoS for a meter electing to be HH settled, all demand within Measurement Class F & G will be charged under the TNUoS NHH methodology from April 2017 up until HH settlement is mandatory for all consumers.
- CMP266 was proposed by National Grid and was submitted to the CUSC Modifications Panel for its consideration on 16 June 2016.
- The Workgroup have consulted and gained views with the wider industry on the Proposal and considered these responses. They have also agreed the WACMs and voted on the best solution to the defect to report back to the Panel.

Workgroup Consultation

- Eight responses were received to the Consultation and were considered by the Workgroup.
- The Workgroup reviewed all responses to the Workgroup consultation and noted that the majority of responses supported Options 1 and 3.
- The Workgroup also noted that in relation to the Workgroup Specific questions asked within the consultation, that some of respondents believed that HH methodology was more relevant to those customers that had the ability to load shift. The respondents had mixed views in relation to whether they believed the HH methodology would discourage switching.

WACMs – Original plus eight WACM agreed by the Workgroup

WACMs	Description	Which MC	Which CY affective to	What system changes
Original	Measurement Classes E, F & G will be charged under the NHH methodology (using actual HH data) up until to 31/3/2020. Any meters migrating under the current methodology may be double charged in that charging year in which they migrate	E, F, G	31/03/2020	None
WACM1	Measurement Classes F & G will continue to be charged under the NHH methodology up until to 31/3/2020. Measurement Class E will be unaffected by this modification (i.e. treated as HH). Any meters in Measurement Classes F & G migrating after 31/03/20 may be double charged in the charging year in which they migrate	F & G	31/03/2020	Reliant on P339 being in place by 01/04/2017
WACM2	Meters migrating into Measurement Classes E, F & G will be charged under the NHH methodology for the full charging year in which they migrate. Then for the following full charging year they will be charged under the HH methodology. Meters in Measurement Classes E, F & G before 1st April 17 will be treated as HH.	E, F & G		Reliant on another Modification not yet known being in place for 1/4/2017
WACM3	Measurement Classes F and G will be charged under the NHH methodology for the full charging year in which they migrate. Then for the following full charging year they will be charged under the HH methodology. Measurement Classes E will be charged under existing methodology with no new changes i.e. will be charged as HH. Meters in Measurement Classes F & G before 1st April 17 will be treated as HH.	F & G		Reliant on P339 being in place by 01/04/2017, as well as another Modification not yet known being in place for 1/4/2017
WACM4	All meters in Measurement Class F only will be charged under the NHH methodology up until 31/03/2020. Meters moving to Measurement Class G will be charged under the NHH methodology for the full charging year in which they migrate then under the HH methodology for the following full charging year. Meters in Measurement Class G before 1st April 2017 will be treated as HH. Meters in Measurement Class E will be unaffected by this modification (i.e. treated as HH)	F & G	31/03/2020	Reliant on P339 being in place by 01/04/2017, as well as another Modification not yet known being in place for 1/4/2017
WACM5	Measurement Classes E, F & G will be charged under the NHH methodology for the charging year 2017/18. This is to allow for any delay in the implementation of P339 and is effectively a continuation of P272 process (without 14.17.29.3). Meters in Measurement Class E will then be charged under the HH methodology from 1/4/2018. Measurement Classes F & G will continue to be charged under the NHH methodology up until 31/03/2020. This is effectively the same as WACM1 but allowing for a delay in P339 which is needed to split up the demand for Measurement Classes E, F & G from each other	E, F & G	31/03/2020	Reliant on P339 being in place by 01/04/2018
WACM6	'Measurement Classes E, F & G will be charged under the NHH methodology to allow for any delay in the implementation of P339 for the charging year 2017/18. Continuation of P272 process (without 14.17.29.3). After this, meters migrating to Measurement Classes E, F & G will be charged under the NHH methodology for the full charging year in which they migrate. Then for the following full charging year they will be charged under the HH methodology'. Meters in Measurement Classes E, F & G before 1st April 2018 will be charged HH for the 18/19 charging year onwards	E, F & G		Reliant on P339 being in place by 01/04/2018, as well as another Modification not yet known being in place for 1/4/2018
WACM7	Measurement Classes E, F & G will be charged under the NHH methodology to allow for any delay in the implementation of P339 for the charging year 2017/18. Continuation of P272 process (without 14.17.29.3). After this, all meters in measurement class E will be charged under the HH methodology. Meters migrating to Measurement Classes F & G will be charged under the NHH methodology for the full charging year in which they migrate. Then for the following full charging year they will be charged under the HH methodology. Meters in Measurement Classes F & G before 1st April 2018 will be charged HH for the 18/19 charging year onwards.	E, F & G		Reliant on P339 being in place by 01/04/2018
WACM8	Measurement Classes E, F & G will be charged under the NHH methodology to allow for any delay in the implementation of P339 for the charging year 2017/18. Continuation of P272 process (not including 14.17.29.3). After this, all meters in Measurement Class E will be charged under the HH methodology. Meters in Measurement Class F only will be charged under the NHH methodology up until 31/03/2020. Meters migrating to Measurement Class G will be charged under the NHH methodology for the full charging year in which they migrate. Then for the following full charging year they will be charged under the HH methodology.' Meters in Measurement Class G before 1st April 2018 will be charged HH for the 18/19 charging year onwards.	E, F & G	31/03/2020	Reliant on P339 being in place by 01/04/2018, as well as another Modification not yet known being in place for 1/4/2018

Workgroup Vote

- Six Workgroup members voted and overall, WACM1, WACM2, WACM3 and WACM6 had one vote each as better facilitating the applicable CUSC objectives. WACM5 received two votes as better facilitating the applicable CUSC objectives.

Evidence of Term of Reference

Issue to be addressed by the Workgroup	Evidence
a) Carry out an impact assessment on consumers.	This has been reviewed by the Workgroup but recognised that it is difficult to provide a full assessment. See Sections 2, 3 and 4.
b) Be mindful of the 2 options highlighted in the paper published by Ofgem on 27 May 2016 in particular paragraph 4.29 as part of the development of the modification	Section 2, 3 and 4.
c) The capability and speed of how quickly National Grid and ELEXON can update their systems and BSC agents if impacted	Table 5 clearly demonstrates the requirement for BSC changes.
d) Identify the impact on Supplier Billing systems	Sections 3 and 4
e) Smart meter roll out and SMETs 1 adoption.	Sections 2, 3 & 4
f) Consider the timing impacts on when TNUoS forecasting	Sections 2, 3 & 4

Next Steps

- The Panel is invited to:
 - Accept the Workgroup Report
 - Agree for CMP266 to progress to Code Administrator Consultation

Proposed Timetable

1 November 2016	Code Administrator Consultation issued (10 Working days)
15 November 2016	Deadline for responses
17 November 2016	Draft FMR published for industry comment (5 Working days)
24 November 2016	Deadline for comments
17 November 2016	Draft FMR circulated to Panel (late paper)
25 November 2016	CUSC Panel Recommendation vote
25 November 2016	FMR circulated for Panel comment (3 Working days)
29 November 2016	Deadline for Panel comment
30 November 2016	Final report sent to Authority for decision
21 December 2016	Indicative Authority Decision due (15 Working days)
23 December 2016	Implementation date (2 Working days later)