RETAIL ENERGY CODE

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01	Initial Assessment Report
02	Preliminary Change Report
03	Final Change Report

CHANGE REPORT

R0062 – REMOVAL OF ERDA METERINGPOINTENERGYFLOW CHANGE RESTRICTION

CHANGE REPORT	PRELIMINARY
DOCUMENT VERSION	1.0
ISSUED DATE	07/12/2023
DOCUMENT APPROVAL STATUS	APPROVED

RESPONSIBLE COMMITTEE	CHANGE PANEL	CHANGE PATH	SELF-GOVERNANCE
PRIORITY STATUS	MEDIUM	URGENCY	STANDARD

DEADLINE FOR ALTERNATIVE CHANGE PROPOSALS	08/12/2023

LEAD CHANGE ANALYST



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CHANGE OVERVIEW

This change looks to remove the restriction on Metering Point Energy Flow corrections, to allow Distribution Network Operators (DNOs) to make more than one change to the Data Item to support data accuracy without detrimental impact to timely corrections and Consumer experience.

TECHNICAL LEAD

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	High Impact: n/a
	Medium Impact: Electricity Retail Data Service Providers Distribution Network Operators
	Low Impact: Suppliers

CODE MANAGER'S RECOMMENDATION

The Code Manager recommends Change Proposal R0062 is **APPROVED** for implementation on 12 April 2024.

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BACKGROUND

1 SUMMARY

As part of the Electricity Retail Data Service (ERDS), the Metering Point Registration System (MPRS), until June 2023, derived the Metering Point Energy Flow (Data Item DI90033 – meteringPointEnergyFlow) from the MS Specific Line Loss Factor Class (LLFC) Indicator (DI50370), which is an attribute of Line Loss Factor Class.

From June 2023, the energy direction (DI90033) became an independent Data Item, Metering Point Energy Flow. This was implemented under the Balancing and Settlement Code (BSC) change CP1558, to support an effective transition to Market-wide Half Hourly Settlement (MHHS).

As part of the Faster Switching Programme Enactment Phase change CR-E37, a restriction was applied to the ERDS so that any Registrable Metering Point (RMP) errors can only be rectified once in the lifetime of an RMP, and which have to apply back to the creation of the RMP recorded in its Effective From Date (EFD). When more than one change is required, a new RMP would need to be created.

The Central Switching Service (CSS) validation enforces the EFD rule, ensuring the Metering Point Energy Flow must be back dated to the original EFD. However, CSS functionality does allow multiple changes to Metering Point Energy Flow.

This change looks to remove the restriction on Metering Point Energy Flow corrections, to allow Distribution Network Operators (DNOs), in their role as Electricity Retail Data Agents (ERDAs), to make more than one change to the Data Item. This will enable improvements to data accuracy, remove detrimental impact to Consumers and facilitate cleansing of Metering Point Energy Flow data in ERDS, without requiring a new RMP, ahead of the transition to MHHS.

2 PROBLEM STATEMENT

To maintain accurate values for Settlement, DNOs must make regular changes to the LLFC Indicator in ERDS. Until June 2023, the meteringPointEnergyFlow had been tied to this Data Item, which had sometimes resulted in changes to the energy direction. For example, going from Import to Export. Where errors have been identified, the DNO needs to be able to correct meteringPointEnergyFlow back to the correct value to ensure data accuracy.

The current restriction, to only one change of energy direction against an RMP, can be overcome by terminating the existing RMP and creating a new RMP with the correct Metering Point Energy Flow value. This has a detrimental impact on the Consumer and Settlement. It is inconvenient for the Consumer to be assigned a new MPAN and Settlement relies on an accurate history that will be lost when a new MPAN is assigned.

3 USER STORIES

REF.	USER STORIES
CONSUMER USER STORIES	
C1	As a Consumer, I want any metering data issues to be resolved without the need for a new MPAN to be created, so that I can reference my current MPAN in any discussions with my Energy Supplier or other Market Participants
MARKET PARTICIPANT USER STORIES	
M1	As an ERDA, I want to be able to correct the Metering Point Energy Flow Data Item more than once, to remove the need for the termination of RMPs and the creation of new RMPs and to facilitate data accuracy
M2	As an Energy Supplier, I want data issues associated with the Metering Point Energy Flow to be resolved without the need to create a new RMP, so that Settlement accuracy and performance is not impacted
M3	As an Energy Supplier, I want data issues associated with the Metering Point Energy Flow to be resolved without the need to create a new RMP, so that discussions I have with my customers are not unnecessarily confused by a change in RMP reference
M4	As an impacted Market Participant, I want to ensure good quality underlying data is available to support the transition to MHHS to avoid additional time and effort being spent fixing data quality issues during the migration period

PROPOSAL

4 PROPOSED SOLUTION

Details of the proposed solution can be found in the solution development report, which can be found on the REC Portal here.

The key requirements for the solution are:

- A change to REC Schedule 27 RMP Lifecycle (section 6.2 (c)) to allow more than one change to Metering Point Energy Flow, within the lifetime of an RMP. Enabling ERDAs to make corrections to an error. In this instance, the 'Effective From Date' validation rule of the updated event must be equal to the Effective From Date' of the event being corrected.
- Configuration change to ERDS to increase the limit on 'meteringpointEnergyFlow' changes. No system changes are required to implement this change as it is a user configurable setting that is set by each ERDA.

5 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution for R0062 can be found here.

The legal text change is to Schedule 27 – RMP Lifecycle, section 6.2 to remove the restriction on only one correction to the energy direction in ERDS.

6 SUMMARY OF IMPACT ASSESSMENT ACTIVITY

6.1 SERVICE PROVIDER IMPACT ASSESSMENTS

Service Provider impact assessments were issued to ERDS Providers on 18 August 2023. The Code Manager received five responses, including from the MPRS service provider to the ERDAs. A summary of the response is provided in the table below:

ELECTRICITY RETAIL DATA SERVICE PROVIDERS	• Supportive of the proposed solution • Confirmed the proposed solution will have minimal development impact, to provide a configuration change, for which functionality has previously been tested under the Switching Programme • Suggested that the solution is straightforward to implement, at minimal cost • Four responses confirmed the change could be implemented within a relatively small timeframe, with one suggesting a 6-month lead time

6.2 MHHS IMPACT ASSESSMENT

An impact assessment was also sought from the MHHS Programme. A summary of the response is provided in the table below:

MHHS PROGRAMME	• Raised concerns regarding the end-to-end process and impacts of energy direction corrections • Highlighted potential impacts to Settlement and the Helix Programme • Suggested that the change could require further work in Settlement which might need to be supported by additional process change in MHHS and/or the Helix Programme. A Change Request (CR) would need to be raised to the MHHS Programme, if this is required • Challenged the benefit to MHHS data cleanse, suggesting the termination and creation of a new RMP would resolve the data inaccuracy

6.3 REC PARTY IMPACT ASSESSMENTS

Following receipt of the ERDS Providers and MHHS Programme's impact assessment responses, the solution development report was updated with further context for the proposed solution.

A Party impact assessment request was then published by the Code Manager on 13 October 2023, inviting them to provide their responses by 03 November 2023. Four responses were received, three from DNOs and one from a Supplier. The responses have been consolidated and can be found on Change Proposal page on the REC Portal here.

A summary of the responses is provided in the table below:

ENERGY SUPPLIER	• Supportive of the proposed solution and that it enables the corrections required, as creating a new RMP results in a poor customer experience and creates Settlement risks • Would like clarity on expectations where there are different import and export Suppliers at the same Meter Point Location • Agreed that the solution should be used for exceptional circumstances only, but that any more than two corrections should require investigation • Volumes are expected to be minimal • No associated costs are anticipated • Unquantified benefit identified in the improvement of customer experience and belief that the benefits will be the same under the MHHS arrangements • No lead time is required • Would not expect any costs to reinstate the restriction at MHHS go-live
DISTRIBUTION NETWORK OPERATORS	• Supportive of the proposed solution and the customer detriment it avoids • Agreed that the solution should be used for exceptional circumstances only; One DNO suggested that appropriate use of the option should be monitored through Performance Assurance • Two DNOs expected no costs; One anticipates minimal costs • Benefits identified to avoid customer detriment, ensure MPANs can be maintained to secure history and avoid risk to settlement accuracy, reduced risk to theft in conveyance and remove the costs/efforts of ending and creating RMPs/MPANs. Data was not provided to quantify these benefits • Supported and able to deliver in a 1-3 month lead time, to enable implementation at the earliest opportunity • Believed that the proposed solution would continue to have value under the MHHS arrangements but that there would be minimal cost to reinstate the restriction at MHHS go-live

Following confirmation from Parties that they believe there to be continued value in the proposed solution under the MHHS arrangements, the Code Manager also consulted with Elexon and Helix Programme stakeholders on the potential impacts and risks to Settlement or the central settlement systems. The following was confirmed:

- Enabling additional energy direction corrections is considered a benefit to minimise the risk to settlement through the loss of the MPAN history. This relates to the potential to reduce the settlement error associated with 'BSC Risk 2: SVA Metering System Attributes are incorrect', by improving opportunities to correct energy direction data back to the creation date within the fluid settlement period
- There would be no impact to Helix systems, as they have been built to deal with data changes, as long as the changes are in the fluid period
- Any retrospective settlement change required, as a result of an energy direction correction completed outside the new 4-month Settlement Calendar period, would need to go through Trading Dispute

Considering the responses received and support for the proposed solution to endure under MHHS, the Code Manager believes it is appropriate to raise a MHHS Programme Change Request for this change to be considered for inclusion in the MHHS Design.

7 DELIVERY AGAINST CHANGE PROPOSAL PLAN

To date all activity has been completed within the planned timescales. The Change Proposal Plan can be found here.

8 KEY RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

8.1 RISKS AND ISSUES

No.	RISK	NOTES	MITIGATION
R0062.CPP.R001	Settlement may be impacted by a change to energy direction where data has already been submitted into Settlement	Settlement data is unlikely to be submitted where the energy direction is held incorrectly	Considered during solution analysis and development. Suppliers targeted in the Party IA. Settlement processes allow for retrospective updates where they are necessary
R0062.CR.R002	Suppliers could use the R0062 solution to unpick errors that should not be occurring and avoid addressing a root cause business process issue	This is an existing risk and not created by R0062	It is made clear in this report, and supported by Party impact assessment responses, that the solution is to be used in exceptional circumstances. It should only be used where an assessment has been made that determines risks to customer experience and settlement outweigh terminating the RMP, and

			not as part of BAU processes

No issues have been identified.

8.2 ASSUMPTIONS AND DEPENDENCIES

No.	ASSUMPTION	NOTES	HOW/WHEN TO VALIDATE
R0062.CPP.A001	There will be no impact to the CSS as a result of this change		Closed – Validated during initial assessment
R0062.IA.A002	Changes to energy direction will always be for correction purposes. Where there is a genuine change in use of an MPAN which requires an energy direction change, it is assumed a new RMP would be created		Closed – Validated during impact assessment
R0062.IA.A003	This change will not have a significant impact on Retail Risks	If this process is misused by one or more Parties as a result of restrictions being removed, it may have an impact on the Settlement Risks. The Code Manager will continue to engage with the BSC and can consider as part of the ongoing approach to risk assessment	Closed – Validated by REC Code Manager Performance Assurance team
R0062.IA.A004	If the solution is not carried forward into the MHHS plan, the Change Proposal could still be progressed for the current arrangements without significant impact to REC Parties	As the number of times that the energy direction can be updated will be a configurable item going forward, this can be set back to 1 at MHHS go-live	Closed – Validated during Party impact assessment

R0062.CR.A005	No change request is required by the Helix Programme to support implementation of R0062	The existing design for the central settlement systems can manage any additional correction that is made to the energy direction	Closed – Validated by the Helix Programme during preliminary assessment
R0062.CR.A006	The technical solution to provide the configuration change will be provided by the MPRS service provider to all ERDAs for internal implementation		Closed – Validated during impact assessment

No.	DEPENDENCY	NOTES	STATUS
R0062.CPP.D001	R0062 has a dependency on the MHHS design team to assess the solution developed and to ensure all impacts are understood if the solution is required in the MHHS arrangements	The Code Manager and MHHS Programme will work together to ensure appropriate timing of assessments	Open – ongoing. An impact assessment has been completed by the MHHS Design team and an MHHS Programme CR will be raised to fully understand the impacts of R0062 under MHHS.
R0062.CPP.D002	A MHHS programme Change Request being implemented will be dependent on the approval of implementation of R0062	A change to the MHHS Design will only be required if R0062 is approved	Open – R0062 could be implemented for the existing arrangements only. Approval of a MHHS Programme CR will only be sought if the associated impact assessment shows that the proposed solution is appropriate for the enduring MHHS arrangements. R0062 legal text will not be included in the MHHS Code Drafting unless the CR is approved.

9 PROPOSED IMPLEMENTATION DATE AND APPROACH

PROPOSED IMPLEMENTATION DATE	12/04/2024	PROPOSED IMPLEMENTATION APPROACH	BIG BANG

The solution for R0062 adds optionality to trigger an existing process. It requires implementation of a small software update that requires less than one month's lead time including the Code Manager's standard release activity. There is no obligation to use the new functionality from the implementation date of the change. Suppliers and ERDAs will have the ability to make additional corrections to the energy direction recorded at the earliest opportunity. The Code Manager proposes that the implementation date is aligned to the next available confirmed REC release, and that provides one month's lead time following the Responsible Committee decision.

Therefore, the implementation date that is proposed is 12 April 2024, this is an extraordinary release date for which R0063 - Addition of key information to all Service Now tickets has already been approved.

10 BUSINESS CASE ASSESSMENT

10.1 COSTS

	DESIGN/ DEVELOPMENT COSTS	IMPLEMENTATION COSTS	ONGOING OPERATIONAL COSTS
PARTIES	Nil	Nil	Nil
SERVICE PROVIDERS	Minimal	Minimal	Nil

10.2 BENEFITS

The Code Manager has not identified any benefits that are quantifiable that will be specifically delivered through R0062, but the change would bring about the following intangible benefits:

INTANGIBLE BENEFITS	BENEFITS DESCRIPTION
CUSTOMER EXPERIENCE	R0062 improves customer experience by removing the requirement to create a new RMP due to a system data error and not because of any change the customer has made to their supply contract. There

	would be no loss of history for a customer and they would not be required to agree a new supply contract. The risk that a new supply contract could mean a change in their energy charges is also removed.
THEFT IN CONVEYANCE	R0062 mitigates the risk of theft in conveyance which is increased when a new RMP is created whilst a customer does not agree a new supply contract.
BUSINESS PROCESSES	R0062 removes the effort required by DNOs/ERDAs and Suppliers for the: • Creation a new RMP • Supplier/DNO operational process for the Supplier registration to the RMP • Termination of the existing RMP/Disconnection of the existing MPAN
SETTLEMENT RISK	Without the ability to correct the energy direction any consumption history will be lost on termination of the RMP creating a risk to settlement data where consumption has not been submitted. The gap created means nothing can be settled whilst a new RMP is being created and registered.
DUoS BILLING ACCURACY	Where a new RMP has to be created this can impact the ability to accurately bill DUoS charges for the period when the energy direction has been recorded incorrectly.

10.3 COST BENEFIT ANALYIS SUMMARY

R0062 will provide a solution to the rare but valued requirement to correct the energy direction for an RMP more than once. The costs for implementing the proposed solution are minimal and, although technical, requires a very short lead time. The benefits of the change are focussed on customer experience, removal of current operational processing effort and reduction of risks to settlement and energy theft. Supporting data has not been made available to quantify these benefits.

11 CASE FOR CHANGE

The Code Manager considers that there is a case for change to implement this Change Proposal, on the basis that:

- the proposed solution is fully formed and appropriately resolves the problem statement;
- the cost of implementation is minimal with no ongoing operational costs

- if the proposed solution is not implemented, in the exceptional circumstances where a correction to the energy direction more than once in the life of an RMP is not allowed, the best solution for customers and settlement will not be available;
- the proposed solution protects Consumer interests by improving their experience when incorrect data is being held against their RMP; and
- a positive business case can be made, as set out in section 11 of this report.

12 CODE MANAGER'S RECOMMENDATION

Based on the assessment in section 10 and 11 of this report, the Code Manager considers a positive business case can be made for implementing this solution. The Code Manager recommends that the REC Change Panel:

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of 12 April 2024.

13 CONSULTATION PLAN AND NEXT STEPS

The consultation on this Preliminary Change Report for R0062 will be published on the REC Portal by **22 December 2023** and closes on **23 January 2024.**

Following consultation, the Code Manager will produce an updated version of this change report (referred to as the Final Change Report). This will include the outcome of the consultation, setting out a summary of the consultation submissions and the Code Manager's response.

The Final Change Report will be issued to REC Change Panel to make its determination.

14 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	Link to Portal page
SOLUTION DEVELOPMENT REPORT	Link
CONSOLIDATED IMPACT ASSESSMENT RESPONSES	Link

15 GLOSSARY

TERM	DEFINITION
Central Switching Service (CSS)	means the Systems and processes provided or procured by the CSS Provider for the purpose of providing the Address Management Service and the Registration Service.
Distribution Network Operator (DNO)	means a person holding an Electricity Distribution Licence.
Electricity Retail Data Service (ERDS)	means the electricity registration services provided under this Code to support the provision of electricity retail data to the CSS and other services.
Electricity Retail Data Agent (ERDA)	means a provider of a DNO's Electricity Retail Data Service.
Energy Supplier	means a person which is either or both an Electricity Supplier and/or a Gas Supplier.
Helix Programme	In 2021, Elexon began the Helix Programme to re-develop BSC Central Systems to support MHHS, and to re-engineer the accompanying processes and procedures which unlock the benefits of MHHS, Market-wide Half Hourly Settlement and the BSC - Elexon BSC.
Market-wide Half Hourly Settlement (MHHS) Programme	The MHHS programme is the mechanism under which the governance and implementation of changes to the market arrangements are being managed.
Metering Point Registration System (MPRS)	means the System used or procured by each DNO in order to provide the Electricity Retail Data Service in accordance with the REC and / or the Supplier Meter Registration Service in accordance with the BSC.
Registrable Metering Point (RMP)	means a Supply Meter Point or Metering Point identified in the Central Switching Service.