DCUSA Issues Form (DIF)

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Issue Title:	Replicating Time Switching And Load Switching In The Smart Roll-out.
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Assigned by DCUSA Secretariat

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Nature of Issue

During working group discussions on DCP 204 'Smart Metering Related Amendments to Schedule 8' an issue was raised about how suppliers should ensure the correct outcomes when applying tariff times to smart metering system in the roll-out. Wider outcomes (outside of DCP 204) would include that the tariff is appropriate for the customer, that the time switching serves the customer's current heating arrangements and also aligns to any existing load managed areas to avoid adversely contributing to any network loading issues.

A specific concern raised by a working group member and by a consultation respondent is regarding a change to which party will be responsible for defining appropriate tariff switching times in any given geographical area (load switching of heating and hot water usually corresponds to cheaper rate/off-peak/night rate tariff times). Currently the distributor defines the switching times, through the application of Standard Settlement Configuration (SSC) rules under the BSC, in their GSP. The Working Group noted that the removal of SSCs will not be for several years and is therefore not an immediate issue, however, there may be future unintended consequence of moving away from SSCs.

In conventional metering the time switch settings on metering systems are implemented on site by the MOP (as the Supplier's agent) via the equipment fitted to reflect the tariff (the settings being based on the SSC/TPRs provided by the Supplier). Time switching settings on smart metering systems can be applied remotely or locally (via hand-held terminal equipment). Only energy suppliers have access to the relevant commands to set the time switching settings on a smart meter. Distributors will have no ability to control, or be involved, with the tariff arrangements applied to any meters on their network. This will lead to a removal of the diversification of switching times in their areas that they were previously able to manage through Group Codes that were randomly associated with the RTS infrastructure. E.g. there are 5 published SSCs operating in the Scottish Mainland LMA with a different group code association to each. This means approximately a 5th of the portfolio, on these arrangements, switch concurrently thus providing a smoothing of the load in that region to protect the network from peak demand. We want to establish a method of recreating this capability within the Smart Programme.

Risks include that remotely applied tariffs in the roll-out combined with a move to half hourly settlement (and the absence of SSC's in HH trading) do not align to current SSC'S that have been designed to reflect existing load managed areas. For existing customers the starting point could be to replicate the existing tariff times, but arrangements for applying tariffs to new customers in load managed areas will need to be developed.

There is a need to map existing heating customers' switching times to a number of standardised switching patterns and times for each tariff type (e.g. E7, WM8, E10 etc.). This would ensure that customers receive the same number of heating hours at approximately the same time as present.

For customers acquired at CoS, plus new connections, there is a need to be able to automatically configure their meter with the correct tariff and switching times, hence the reason for a standardised set of switching patterns.

This has been raised with SIG to discuss the significance of the issues to different parties, to form a view on whether the production of tariff application guidance is necessary to help deliver the required outcomes and where such guidance might sit (this may not ultimately be a matter for DCUSA i.e. the production of supplier/MOP tariff application guidance). For example, with no supplier BSCP, a potential choice could be the MOP BSCP514. However, it may be that MOP are currently not envisaged to be involved in such tariff changes for smart meters.

Solution Overview – if known	
Solution description:	
Lead time for Implementation:	Suggested Solution. In LMAs, to replicate the Group Code methodology, we utilise the last digit of the mpan to ascribe a proxy Group Code in itself. e.g. – based on the last digit you associate a Group Code to it. Mpan ending 1 = Group Code A, etc. This could be expanded to associate multiples together – Mpans ending 1,3 and 5 = Group Code A – depending on the amount of load management required. IT systems could easily identify the mpans in question and this provides an interoperable solution across the industry across all parties and suppliers. The suggestion is that new SSCs are created to indicate the metering on site is SMART to enable identification of these away from the meter type itself. The meter does NOT actually define how it is being used. The SSC does. This will also enable identification of volume allocation, for settlement purposes, to categorise profiling of energy usage based on different metering technologies and the appropriate settlement rulings that are being discussed by Elexon.