

Proposal for a Capacity Market Rule Change



Making a positive difference
for energy consumers

Reference number:

Title (a short title which summarises your CM rule change request)

Aggregation, Metering and DSR component reallocation process transfer DB to SB

Name of organisation(s)/individual(s):

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Date submitted:

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Proposal abstract (a short summary, suitable for published description on our website)

Transfer of ownership and roles and responsibilities for the Metering Aggregation rules, Metering processes and DSR component reallocation from the Delivery Body to the Settlement Body. Does not include Satisfactory Performance Day or Extended Performance tests, DSR tests and non-BSC Relevant Balancing Services

Description of the issue that the change proposal seeks to address:

In progressing the New Portal project, the EMR Delivery Body has been working closely with the Settlement Body to define and deliver integrated processes. In a joint review, we recommended a transfer of ownership and roles and responsibilities from Delivery Body to Settlement Body for the following processes:

- Metering Aggregation
- Metering Assessment
- Metering Test
- DSR component Reallocation

The existing process to carry out Metering processes is overly complex where the data owner is not the data controller, creating excess cost and risk. This change will rectify the below issues:

- **Knowledge and expertise:** Data validation by subject matter expert in correct system
- **Removal of metering interface:** DB not postbox of data for settlement processes
- **Improved customer experience:** Clarity on Delivery Partner accountability & metering process ownership
- Builds on initial recommendations proposed at CMAG
- **Data submission simplified:** Transitioning metering obligations to be submitted post agreement – simplifies obligation and reduces customer risk at prequalification
- **Quicker efficient data access:** No data transfer interface required for settlement
- **Reduced operational cost/capacity:** Removal of manual workarounds to fix
- **Reduced settlement / Stress Event risk:** No delay due to data correction and manual workarounds

Proposed solution to the issue:

We are recommending a transfer of ownership and roles and responsibilities from Delivery Body to Settlement Body for the following processes:

- Metering Aggregation
- Metering Assessment
- Metering Test

- DSR component reallocation

Summary of key CM Rule change areas proposed:

- 1) Metering processes: managed by Settlement Body post Prequalification Results Day**
 - **Additional Detail:** Extract Metering processes from the Prequalification process to move to become a post-Prequalification for Applicants/Capacity Providers to be provided directly to the Settlement Body. This includes Metering information, Metering Arrangements and relevant Declarations.
- 2) Removing Metering related data from the Capacity Agreement Notice**
 - **Additional Detail:** Metering details will be removed from Part D: CMU Details for:
 - (ii) Meter Point Administration Numbers for relevant Meter(s) or details of metering and communications arrangements
 - (iii) BM Unit ID (if applicable)
- 3) CMR enhancement: Separate Metering Register to be managed and published by the Settlement Body**
 - **Additional Detail:** The Settlement Body will create and maintain a register of metering information. This will include MPAN, BMU ID, Metering Assessment, Meter Test deadlines, Metering Assessment Responses, confirmation of Meter Test Certificate issue date and the status of DSR components
- 4) Metering Data provision:** Clarification Metering Arrangements are to be supplied and validated with the Settlement Body as a prerequisite to provision of relevant milestones
 - **Additional Detail:** Rules amendment to include confirmation of metering status from the Settlement Body as prerequisites to the Substantial Completion Milestone, Secondary Trade Request, Location Change Request & DSR Test processes.
- 5) DSR Component Reallocation:** requests issued to and validated by the Settlement Body to enable metering validation in line with rule obligations
 - **Additional detail:** Rules amendment to clarify that the process owner for DSR Component Reallocation will be transferred from the Delivery Body to Settlement Body.

List of alternative proposals already submitted which this proposal relates to (if any):

If you know the specific change to the Capacity Market (CM) Rules you wish to make, please select the type of change below and propose specific revised text, indicating the provision number from the CM Rules and highlighting the change (if left blank, the Capacity Market Advisory Group (CMAG)/Ofgem may suggest revised text to achieve the proposed solution above):

Amendment Addition Revocation Substitution

Submitted as additional draft document attachment

Analysis and evidence for the impact of the proposed change on industry and/or consumers, highlighting how the proposal meets the Ofgem/Capacity Market objectives set out in Regulation 78 of The Electricity Capacity Regulations 2014, any risks to consider and any implications for industry codes:

Summary of customer impact of key CM Rule change areas proposed:

- 1) **Metering processes: managed by Settlement Body post Prequalification Results Day**
 - **Impact to Customer:** Clear that all Metering related information is via Settlement Body. Simplify obligations at Prequalification
- 2) **Removing Metering related data from the Capacity Agreement Notice**
 - **Impact to Customer:** Removes metering from CANs
- 3) **CMR enhancement: Separate Metering Register to be managed and published by the Settlement Body**
 - **Impact to Customer:** Proposal is for two different registers to be used by customers for the CM
- 4) **Metering Data provision:** Clarification Metering Arrangements are to be supplied and validated with the Settlement Body as a prerequisite to provision of relevant milestones
 - **Impact to Customer:** All Metering related information and processes will be validated with Settlement Body and will be required and checked prior to meeting delivery milestones
- 5) **DSR Component Reallocation:** requests issued to and validated by the Settlement Body to enable metering validation in line with rule obligations
 - **Impact to Customer:** Requests for DSR Component Reallocation to be raised with the Settlements Body rather than the Delivery Body

Urgency

Select this box if you would like this proposal to be treated as “urgent” (see 1.14 of “The Change Process for the Capacity Market Rules – Guidance” (2022) for details on the requirements of an urgent proposal)?

If selected, please include a justification, including any dates by which the CM Rule Change needs to be made and the consequences of not acting in time (*Note that urgent proposals may be deprioritised or rejected if the Rule Change suggested cannot be implemented before the date(/s) set out in this section*)

Confidentiality

We want to promote transparency in the Capacity Market Rule Change process. Submitting proposals directly to the Capacity Market Advisory Group (CMAG) supports transparency whilst ensuring that proposals benefit from the input of a panel of impartial capacity market experts whose role it is to support the development, scrutiny, and prioritisation of proposals to improve CM Rules.

Proposals submitted directly to Ofgem may be shared with CMAG or published on our website as part of a public consultation before any rule change is enacted, provided the information shared has not been marked as confidential.

To submit your proposal directly to CMAG, e-mail this document to cmag@elexon.co.uk

If you wish to submit confidential information to Ofgem as part of your proposal, there are two routes to do this:

1. Submit this document directly to CMAG (cmag@elexon.co.uk) excluding the confidential information, then submit a copy of this document plus an additional file containing the confidential information (marked as confidential) to emr_cmrules@ofgem.gov.uk
2. Submit this document plus an additional separate file containing the confidential information (marked as confidential) directly to Ofgem at emr_cmrules@ofgem.gov.uk

Nothing marked confidential will be shared outside of Ofgem without the express permission of the proposer.