

Duplicate MPANs sub-group Terms of Reference

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1. Background

- 1.1 At [CMAG Meeting 34](#), industry feedback was raised with the CMAG regarding issues that had arisen where an MPAN that a Capacity Provider has intended to register to an Unproven DSR CMU but were not able to as the MPAN was already registered in another Capacity Providers CMU. While the Capacity Provider expressed a preference for the principle of 'first come, first served', believing it to be the fairest approach, they did not believe sufficient guidance was published by delivery partners to document the process. The Capacity Provider noted that they had also raised the issue at an Energy UK DSR working group. This highlighted the issue to other Capacity Providers that had not been aware of the issue, who expressed concern about associated delivery risks and noted that similar problems would occur in flexibility markets. The Energy UK working group did not hold detailed discussions on possible approaches or reach a consensus.
- 1.2 At [CMAG Meeting 39](#), the CMAG noted that issues have arisen with the same MPAN being registered as components in different DSR CMUs. The CMAG also noted that multiple industry participants had expressed an interest in finding a clear solution to how 'duplicate MPANs' should be handled. In light of this the CMAG Secretariat asked CMAG Members if they believed there would be value in assembling a sub-group of interested parties. The CMAG agreed to form a 'duplicate MPANs' sub-group to consider the merits of possible solutions and to develop one or more Change Proposals for the CMAG to consider.
- 1.3 At [CMAG Meeting 40](#), the CMAG agreed to establish a sub-group to explore solutions to the duplicate MPANs issue and approved these Terms of Reference to guide its work.

2. What Issues have been raised?

Description of issue

- 2.1 As part of the Metering Configuration Solution process, a Capacity Provider that is registering an Unproven DSR CMU must provide the Settlement Body with the MPANs for all the components that comprise the CMU¹.
- 2.2 For a Capacity Provider to register an MPAN as a CMU component, they must establish 'contractual DSR control' over the customer². This contractual control is defined as having exclusive right to control all or part of the metered volume of the MPAN³.
- 2.3 It is worth noting that in keeping with the definition of a DSR CMU component as being measured by a single half hourly meter, the reference to 'part of' in paragraph 2.2 should be read that a Capacity Provider does not have to have control over every asset at a premises in order to register it in the Capacity Market. Indeed, where asset level metering is installed that allows a differencing solution to accurately separate demand, assets at the same site can be registered to different CMUs⁴. However, multiple Capacity Providers are not permitted to register the same MPAN in the Capacity Market if the individual demands cannot be separately identified.

¹ Rule 8.3.3A(aa)

² Regulation 5(3)(a)(iii)

³ Regulation 5(4)

⁴ Rule 8.3.3(f)(dd)

- 2.4 As well as instances where a consumer has erroneously signed up the same asset with multiple providers, there have been instances where a consumer has signed up with different providers to use their flexibility in exchange for compensation. For example, a consumer with a heat pump and an EV may sign up to flex the heat pump through their Supplier, and the EV charging point through their charging provider. If the consumer does not have asset level metering to differentiate between assets and flexibility providers, this scenario is not permitted in the Capacity Market. This creates a scenario where two Capacity Providers believe they have valid contracts with the same consumer to use their flexibility in the Capacity Market but are unable to both register the same MPAN.
- 2.5 As there is no way for Capacity Providers to verify whether a consumer's MPAN has already been registered by another Capacity Provider when the consumer initially signs up, the issue may not be identified until later – after both Capacity Providers have established contracts with the consumer. This can leave a Capacity Provider not being able to register a significant proportion of their expected DSR components. This may increase the risk of Capacity Providers facing reduced capacity payments or even Termination Fees if they have not been able to secure enough capacity, which could lead to higher Auction bids and costs to consumers. Additionally, if a CMU is terminated after the modelling which sets the parameters for the T-1 auction has concluded, the terminated capacity will be lost to the market which could pose a threat to the Security of Supply. Ultimately, these impacts threaten the effectiveness of the Capacity Market.

Current processes

- 2.6 When the issue of MPANs being registered in multiple CMUs has occurred previously, the CM Settlement Body has encouraged Capacity Providers to bilaterally agree which CMU the MPAN component should be registered in.
- 2.7 In some cases where the competing Capacity Providers have control of different assets and suitable asset level metering is installed, the Settlement Body is able to use a difference metering solution to register the different assets in different CMUs. For example, if an EV charger has an asset meter to separate it from other demand at the MPAN, the asset meter can be assigned to one CMU and the MPAN demand minus the asset meter can be assigned to another CMU. This process still requires communication between Capacity Providers, as the MPAN conflict may not be identified until a later point when an associated asset meter is registered. This would require a change to the previously approved MPAN registration to account for the differencing solution. Rule 8.3.3(f)(dd) requires a Capacity Provider to explain how metering will be used to separately identify the output of different assets where an MPAN has already been registered with the Settlement Body.
- 2.8 In instances where there is not an asset meter to allow for a difference metering solution to be adopted, or two CPs are competing for the same asset and a bilateral agreement has not been reached, the Settlement Body uses a first come, first served approach. This means that regardless of what contracts Capacity Providers have with consumers, they are unable to register the MPAN if it has already been included in Metering Configuration Solution submitted by another Capacity Provider.
- 2.9 The Settlement Body's basis for taking a 'first come, first served' approach is based on the requirement in Regulation 5(4) for a Capacity Provider to have 'the right to exclusively control' the asset being used to provide capacity. Similarly, the definition of a DSR CMU component in Regulations 2 as being measured by a 'single half hourly meter' precludes the case for two Capacity Providers legitimately registering the same meter. Further Rule 8.3.3(f) requires that Capacity Providers make 'accurate submissions to the Settlement Body'. It is therefore not possible for two Capacity Providers to make accurate submissions of the same MPAN without using a difference metering solution. The Settlement Body's position is that using the information available at the time of the first submission, the registration can be deemed accurate. It is upon the receipt of the second submission that the accuracy of the registration is impugned. Additionally, Rule 8.3.3(f)(dd) requires that where any MPAN has already been registered to another CMU, the Capacity Provider must explain how metering will separately identify the output. The Settlement Body's position is therefore that if the subsequent application cannot satisfy 8.3.3(f)(dd), then the registration fails.
- 2.10 An alternative approach to 'first come, first served' would be that where MPAN confusions arise that cannot be agreed between the concerned Capacity Providers, the contested MPAN is excluded from any CMU. However, this would equate to lost capacity which could exacerbate the concerns identified in paragraph 2.5.

3. What is the purpose and scope of the sub-group?

- 3.1 The purpose of the sub-group is to conduct a review of the current and proposed 'duplicate MPAN' processes and determine what changes to the CM Rules would be needed to implement a preferred proposal. In doing so, the sub-group will:
- 3.1.1 Develop a thorough understanding of the issues relating to duplicate MPANs, including the scale of impacts of maintaining the status quo. Demonstrate a case for change.
 - 3.1.2 Consider whether any Regulation or Rules changes are needed to help clarify the current approach (both difference metering and the 'first come, first served' approach).
 - 3.1.3 Consider whether additional or alternative approaches to managing the issue of duplicate MPANs would be preferable to the current approach. This will include, but is not limited to:
 - a) exploring solutions for how potential conflicts can be identified earlier in the process;
 - b) investigating approaches adopted in other markets to ensure, where appropriate, that the CM is not inconsistent;
 - c) assessing whether assets behind the same MPAN meter would need to demonstrate independence from each other to use a difference meter solution
 - d) considering possible future policy and market developments which might help resolve the issue, such as the Flexibility Market Asset Register;
 - e) considering what Rules and Regulations changes might be needed to implement any alternative approach;
 - f) identifying criteria for assessing and comparing the different approaches (including against status quo); and
 - g) assessing the identified alternatives against the established criteria and the CM Rules Objectives.
 - 3.1.4 Produce and present a report to CMAG on the above including where possible a preferred solution for CMAG consideration.
- 3.2 The purpose of the sub-group is to develop a longer-term approach that can be well defined in the CM Rules. Its discussion and recommendations will not be intended to apply to the coming Delivery Year.
- 3.3 The CMAG is unable to consider CM Rules changes that are inconsistent with the current Regulations and policy intent. However, If the sub-group believes changes to the Regulations would be required to deliver a full and complete solution it may note this in its report.

4. Who should join the sub-group?

- 4.1 We are seeking sub-group applications from the following stakeholders:
- Capacity Providers that intend to register MPAN DSR components
 - Suppliers that intend to use consumers' MPANs in the Capacity Market
 - Relevant trade bodies representing Capacity Providers
 - Relevant consumer groups representing consumers that provide DSR
 - CMAG Members and Representatives that attend CMAG
 - Flexibility Market Facilitator experts
 - Any organisations seeking to improve the efficiency of the Capacity Market
- 4.2 All successful sub-group applicants send an employee release letter requiring them to act as independent experts to the CMAG Secretariat prior to the first sub-group meeting.
- 4.3 If the sub-group experiences significant interest in membership, the Chair may limit attendance of meetings to one representative per stakeholder. To ensure that the widest range of views can be discussed.

5. What is the expected progression timetable of the sub-group?

5.1 The CMAG discussed possible timetables for progression at CMAG Meeting 40. The CMAG recommended that any Change Proposal relating to duplicate MPANs should be recommended to Ofgem by the July 2026 CMAG Meeting, so that the CP(s) can be included in Ofgem's September 2026 statutory consultation. Below is an expected timeline for sub-group meetings and the development of any associated Change Proposals. This table focuses on the proposed rules topics for consideration and is not the final agenda for each meeting.

5.2 Expected sub-group timeline:

Activity	Date	Topics
Seek sub-group members	w/c 26 Jan 2026	N/A
1st sub-group meeting	w/c 23 February 2026	<p>Exploration of the issue</p> <p>Consideration FCFS approach</p> <p>Discussion of clarifications to rules to strengthen current approach</p> <p>Exploration of approach taken by other markets</p> <p>Consideration of future developments</p>
2nd sub-group meeting	w/c 30 March 2026	<p>Discussion of alternative solutions to FCFS</p> <p>Consideration of independence requirements</p> <p>Discussion of rule changes to facilitate proposals.</p> <p>Consideration of wider impacts of proposals</p>
3rd sub-group meeting	w/c 4 May 2026	<p>Assessing alternative proposals against the status quo</p> <p>Determination of preferred proposal</p> <p>Discussion of whether Regulation changes would better solve the problem.</p>
CMAG meeting	15 June 2026	Presentation and discussion of sub-group's report

5.3 The sub-group will review these Terms of Reference at its first meeting.

5.4 For the avoidance of doubt, the dates detailed in 5.2 above are indicative and may be subject to change.

6. Governance

6.1 The sub-group is tasked with identifying and exploring potential solutions to the issue of duplicate MPANs. The sub-group is will develop improvements to the CM Rules to facilitate improved processes for handling duplicate MPANs in accordance with sections 2 and 3 of this Terms of Reference.

6.2 The main objectives of the sub-group are:

- a) Review the suitability of the processes currently used by the Settlement Body to handle duplicate MPANs.
- b) Solution Exploration: Propose potential solutions to address the identified issues, including revisions to existing Rules, introduction of new Rules, or removal of outdated or ineffective Rules.

- c) Consider whether existing guidance should be updated to provide additional clarity on processes.
 - d) Determine a preferred solution for CMAG consideration.
- 6.3 The sub-group will report to the CMAG, which will provide oversight, guidance, and support throughout the review process, as needed.
 - 6.4 CMAG Secretariat will arrange the meetings and fulfil any PMO and facilitator requirements, including providing a Chair for the meeting and a secretary.
 - 6.5 The CMAG Secretariat will endeavour to send agendas five Working Days before the meeting and meeting packs three Working Days before any meeting of the sub-group.
 - 6.6 Meetings may be recorded to facilitate the accurate reporting of discussions and attendance. Any recordings will be deleted within 90 days of the recording and will not be shared outside of Elexon.
 - 6.7 Minutes/high-level notes will be captured and circulated to members within five Working Days of the meeting.
 - 6.8 The meetings will be public as standard and meeting content will be made available via the [CMAG website](#).
 - 6.9 Where possible, decisions will be reached by consensus. If the sub-group is unable to reach a consensus the range of supported views will be reflected in the final report.
 - 6.10 When deciding its recommendations to the CMAG, each sub-group member has one vote. Proxy voting may be allowed under conditions specified by the Chair.
 - 6.11 Meetings will be arranged according to a schedule to be agreed with sub-group members or as deemed necessary by the Chair.
 - 6.12 Meetings may be conducted in-person, virtually, or in a hybrid format, depending on the needs of the sub-group and prevailing circumstances.
 - 6.13 Sub-group members are expected to actively participate in discussions, contribute to agenda setting, and fulfil action items as assigned.
 - 6.14 The items within section 6 of this Terms of Reference may be amended with the consensus of the sub-group members to reflect changes in governance needs or to improve meeting effectiveness.