
Duplicate MPANs SG1 Meeting Summary

Summary

1. Meeting Objectives

- 1.1 The Chair welcomed attendees and presented the objectives of the subgroup:
- Develop a full understanding of the issue and explore the impacts of the current process used by the Settlement Body
 - Consider what changes are needed to strengthen and clarify the difference metering and 'first come, first served' approach
 - Explore alternative approaches that could be adopted including:
 - Early identification of conflicts
 - Aligning to approaches used in other markets
 - The case for demonstrating independence
 - Changes needed to implement an alternative solution
 - Assessing an alternative solution against the current process
 - Produce a report for CMAG discussion – including change proposal for a preferred solution
- 1.2 Any sub-group proposal will be for a longer-term solution rather than making changes for the upcoming Delivery Year.

2. Background

- 2.1 The group discussed the underlying causes of the issue, focusing primarily on unproven DSR CMUs.
- 2.2 Key points of agreement were:
- Unproven DSR CMUs are not required to submit metering configurations at prequalification, meaning Capacity Providers (CPs) may hold Capacity Agreements without certainty over which assets will ultimately be used.
 - Metering information is submitted late in the pre-Delivery Year setup process, creating time pressure and operational bottlenecks.
 - Conflicts typically only become visible when Metering Configurations are submitted to the Settlement Body, at which point there may be insufficient time to resolve disputes.
- 2.3 Three main scenarios were outlined:
- a) Co-located assets with asset metering – where a difference metering solution can be applied.
 - b) Co-located assets without asset metering – where asset output cannot be separated and FCFS is currently applied.
 - c) Duplicate or overlapping claims on the same energy flow – including cases where different assets (e.g. EV charger vs settlement meter) are effectively controlling the same energy.
- 2.4 The group broadly agreed that the issue is exacerbated by:
- i Customers entering into multiple contractual arrangements without understanding the implications;
 - ii The absence of a shared database showing asset ownership, metering, or contractual control; and
 - iii The highly manual and non-scalable nature of current processes.

- 2.5 The sub-group explored how and when validation checks occur, and the extent to which parties have visibility of competing claims prior to rejection. Concerns were raised that the current arrangements may not provide sufficient early warning to affected parties, resulting in late portfolio adjustments and potential commercial impacts. The group agreed that Capacity Providers could do more to ensure consumers weren't already registered with another provide during onboarding,
- 2.6 Members also considered whether the current process places undue emphasis on submission timing rather than on evidential rights or contractual position. However, it was acknowledged that the simplicity of a time-based approach provides clarity and ease of administration for the Settlement Body.

3. Difference metering solution

- 3.1 The group considered whether the definition of a DSR component would be cleared and more explicitly allow a differencing solution without the word 'single'.
- 3.2 The group also considered whether DSR components should have a requirement to demonstrate independence from other assets, bringing them in line with generation components.
- 3.3 On both points, the group noted the consultation on load control licence and the expectation that asset metering would become more widely used. They therefore concluded that the effort to make any changes was unlikely to result in any meaningful benefit in the longer term.

4. Temporary FCFS approach for the upcoming Delivery Year

- 4.1 An overview was provided of how the First Come First Served approach will operate for the upcoming Delivery Year.
- 4.2 Key features include:
- 1) Metering Configurations will only be accepted after CAN release, with submissions processed in order of receipt.
 - 2) Where a duplicated asset or MPAN is identified, the earlier submission will retain the claim.
 - 3) The Settlement Body will not adjudicate on contractual or commercial disputes.
 - 4) Reallocation will only occur if the first submitting CP instructs the Settlement Body to remove the asset.

5. Where assets are genuinely co-located, a difference metering solution may be applied, subject to agreement between CPs.

- 5.1 It was emphasised that this approach:
- Is intended as a temporary, pragmatic solution.
 - Does not address root causes.
 - Creates incentives for early submission and may introduce administrative bottlenecks.
- 5.2 Members were encouraged to send any queries to the settlement body.

6. Early identification of conflicts

- 6.1 A significant portion of the discussion focused on whether conflicts could be identified earlier in the process, potentially before the auction.
- 6.2 Points raised included:
- CPs generally rely on customer declarations at sign-up and informal checks, which are not reliable.
 - Public registers do not contain sufficient information (particularly for domestic DSR).
- 6.3 Any requirement to publish "intended MPANs" publicly could risk influencing bidding strategies.
- 6.4 The limit on component reallocation for bespoke metering arrangements does not align with the increase to 20% for boundary MPANs. Aligning this would be preferable.

- 6.5 Unproven DSR CMUs cannot complete Proving Tests until after they have acquired a capacity obligation. If the window was extended to allow Proving Tests between Prequalification and the auction, this would give confidence to CPs that they would be able to deliver any obligation they are awarded.
- 6.6 There was stronger support for:
- A private, third-party-managed process (e.g. via EMRS or a similar body) where CPs could submit intended MPANs pre-auction.
 - Using this as a filtration step, reducing the volume of conflicts later in the process.
 - Treating this as a confidence-building measure rather than a definitive allocation mechanism.
- 6.7 Concerns were raised about:
- Whether such a process should be mandatory or optional.
 - The risk of disproportionate burdens on industrial or non-domestic DSR that does not typically cause conflicts.
- 6.8 The need to avoid creating new opportunities for gaming.
- 6.9 Acknowledging that a process before the auction may not be reflective of changes that happen between the auction and the Delivery Year

7. Alternative approaches in other markets

- 7.1 The sub-group considered whether comparable allocation or conflict-resolution mechanisms in other markets could inform the development of an alternative solution.
- 7.2 Members discussed the potential value of reviewing how similar issues are addressed in other regulatory or market contexts, including governance arrangements and evidential requirements. This was viewed as a means of informing, rather than determining, the direction of travel.
- 7.3 Several external models were reviewed, including:
- Demand Flexibility Service (NESO) – latest timestamp wins.
- 7.4 Open Networks / ENA – incumbent protection with evidence-based transfer.
- Flexible Power and DSO markets – rejection of duplicates unless differentiation is demonstrated.
- 7.5 The group noted that:
- These models often rely on more frequent updates and more flexible markets than the CM.
 - Many require subjective judgments about evidence, which the Settlement Body is not well placed to make in the CM context.
 - None provide a directly transferable solution without modification.

8. Principles for an enduring solution

- 8.1 The group broadly aligned on a set of guiding principles for any enduring solution:
- Customer choice must be preserved and made explicit.
- 8.2 There should be one controlling provider per asset/energy flow at any given time across all flexibility markets.
- Processes should be scalable, proportionate, and administratively light.
 - Solutions should be aligned across markets where possible, avoiding fragmentation.
- 8.3 Any approach should minimise late-stage disruption after auctions and testing.
- 8.4 There was broad agreement that:
- Bilateral resolution between CPs should be the default.
 - Escalation to customer confirmation should be a last resort.
 - Central bodies should avoid adjudicating contractual disputes wherever possible.

- 8.5 Strong views were expressed on the importance of timing:
- Conflict identification should occur before auctions and DSR testing, not afterwards.
 - Once a CP has bid in the auction and completed testing, large-scale reallocation should not be possible.
- 8.6 Limited reallocation to manage genuine churn may be appropriate, but mass late changes would undermine delivery confidence.
- 8.7 If the CM was brought in scope of the FMAR, this could provide an undisputable way to record which flexibility provider was assigned to an asset at any given time.
- 8.8 There was support for the idea of a defined pre-auction registration or declaration window, after which portfolios are largely stable for that Delivery Year.

9. Next steps

- 9.1 The agreed next steps were to continue exploring the issues discussed, and following actions:
- 9.2 Looking into a timeline for FMAR and CCS development and whether either could be used to support a long-term solution
- 9.3 Investigate whether metering configurations for bespoke metering can be aligned with boundary MPANs
- 9.4 Investigate whether it would be appropriate to allow Proving Tests to be completed between Prequalification and an auction
- 9.5 Flesh out group suggestions to develop one or two potential processes for resolving conflicts for the group to consider further