Mod 0855 - Settlement Adjustments for Supply Meter Points impacted by the Central Switching System P1 Incident

July 2023

0836

- Allows CDSP to initiate Registration where CDSP becomes aware that UK Link doesn't reflect CSS for CSS Supply Points
  - Because CSS have failed to generate the message, it hasn't been successful transferred or can't be processed by CDSP
- Allows CDSP to insert a Meter Reading for the CSS Registration Effective Date
- Clarifies who is responsible for Settlement where CSS <> UKL
- Requires that CDSP perform a materiality test (adjustment needs to be >1,200 kWh) to determine whether a Settlement Adjustment is required, 3 months after issuing the CSS Registration EFD – determined by energy difference between CSS Registration EFD and UKL Registration EFD Meter Readings
- CDSP performs the Adjustment (where required) and issues by M+2 (in accordance with normal adjustment timescales)
- 0836 is prospective – i.e. will apply following Mod implementation date

Incident Summary

- Up to end of June 2022 – we had 360 instances of missing messages – some of which required Registration. Right to register was based on 'derogation' by UNCC granted in November 2022, and expected subject to approval) to be formalised by Mod 0836.

- Mod 0836 is prospective – and does not contain a Retrospective component

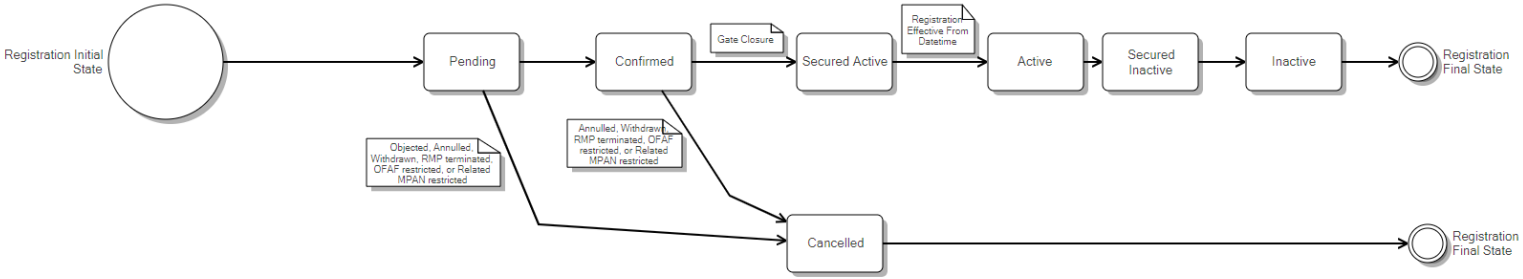
- We now have had an incident impacting at least 81,000 Supply Meter Points, the resolution of this incident is protracted and Shippers may elect to take different courses of action – depending on the best action plan based on assessment of impact to consumers; their processes and systems

- Consideration is being given to how Settlement can be adjusted to:
  - Identify the relevant impacted Supply Meter Points
  - Apply this for the Incident – so any retrospective component is specific to the incident impacting the CSS Priority 1 Incident that was reported on 6th July

Incident Summary

- Incident raised related to CSS by GRDA at 18:30 on 6th July – manifest in c27k Missing Secured Active Messages at Gate Closure (i.e. on 17:00 on D-1 where D is Registration Effective Date)
  - Raised as P2
  - Escalated to P1 by DCC at 19:30
- Limited communications on the incident, so at GC on 7th July unclear as to the outcome of GC

- Note: A Registration will progress through various Registration states as indicated below:
  - Crucially it should progress to Secured Active at Gate Closure
  - And Active at the Registration Effective Date / Time
  - UKL Registration will be initiated from receipt of a Secured Active Notification at Gate Closure
    - Gate Closure end is poorly defined in the REC, but the CSS has SLAs to issue messages by certain times depending on the volumes … but should be complete by 18:00



0855 - Comparison to 0836 – updated

- Functional Scope of the Modification is proposed as:
- Settlement Modification for CSS P1 Incident will consider the following components of 0836
  - Insertion of a Meter Reading for the CSS Registration Effective Date – this will be required to facilitate adjustment ~~[and Materiality Test]~~
  - ~~Materiality Test – 0836 applies this at a Meter Point Level [this is planned to be retained in this Modification], and adjustments progressed where the value is greater than 1,200 kWh~~
  - Issue Invoice Adjustment – 0836 applies a window to allow Replacement Meter Readings so Adjustments are assessed at m+3 … this Modification 0855 proposes that we set a deadline for Replacement Meter Readings that is shorter [28 days] from CDSP issuing the CSS Registration Effective Date Meter Reading]
- Settlement Mod for CSS P1 Incident will allow the Gaining and Losing Shipper to opt out of Settlement adjustment
  - This is because we understand a large volume of impacted Supply Meter Points are subject to 'internal' portfolio transfer [should the opt out be limited to intra group transfers?]
- Initiation of Registration is discounted as this needed to be done urgently (and is largely completed (except exceptions)) – this has been confirmed that the CDSP can continue to act on proxy Secured Active Notifications – this does not need to be included in the Mod
  - NB: this was achieved by 'derogation' by UNCC

Incident Impacts

- No root cause has been shared
  - Xoserve projection indicated c84k Registrations impacted, total AQ of impacted Supply Meter Points is 1,250,000,000kWh (1.25TWh?)
  - As at 18/07 - C4k still to hit Registration Effective Date, 0.32 TWh which represents ¼ of the total AQ value 'at risk'
  - As at 24/07 – C2k still to hit Registration Effective Date, but potentially 1k have been proactively managed by Suppliers and Shippers to cancel and resubmit

- DCC have shared the impacted Registrations
- DCC are unable to identify future dated Registrations that will fail, so management of prospective Registrations relies on a dataset that is not collated from the source / 'master' system (CSS)

- Note: some parties have reported that instances of Missing Messages prior to 06/07 – GRDA is not aware of any of these instances.
  - Any Modification needs to get confirmation from the Switching Operator regarding the outcome of these Service Management tickets to include / exclude from scope.

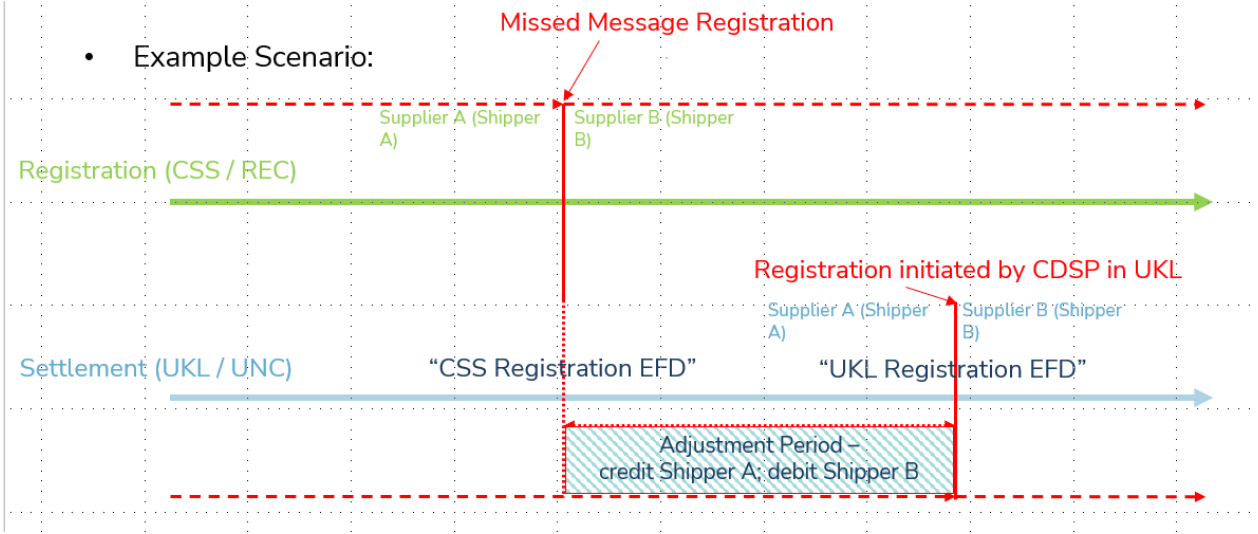
DCC Solution Options

- DCC have identified two solution options:
  - ~~Option 1 Cancellation and Future Dated Registration~~
    - DCC indicated on 19/07/23 that this will not be progressed through testing, therefore it is assumed that this is very unlikely that this will progress to production
  - Option 2: Retrospective enactment of the Registration for the original Registration Date
  - It is expected that Option 2 will be implemented as electricity central systems will accept this solution / Suppliers favoured option potentially for single solution for 'dual fuel'
  - Option 2 will generate Secured Active Messages for Registrations at D+27 days (assumes earliest implementation date of 2nd August)
  - Gas Settlement systems will NOT accept Retrospective Registrations - leading to potential Settlement issues
  - CDSP will need to manually initiate UKL Registrations – this is NOT considered in the UNC but UNCC confirmed that CDSP can continue to initiate Registrations where it believes that it has reason to do so

DCC Solution Options

- Solution Option 2 is reasonably close to the scenario envisaged by UNC Modification 0836
  - CSS Registration is set live for a date prior to the UKL Registration
  - Leading to Settlement Issues

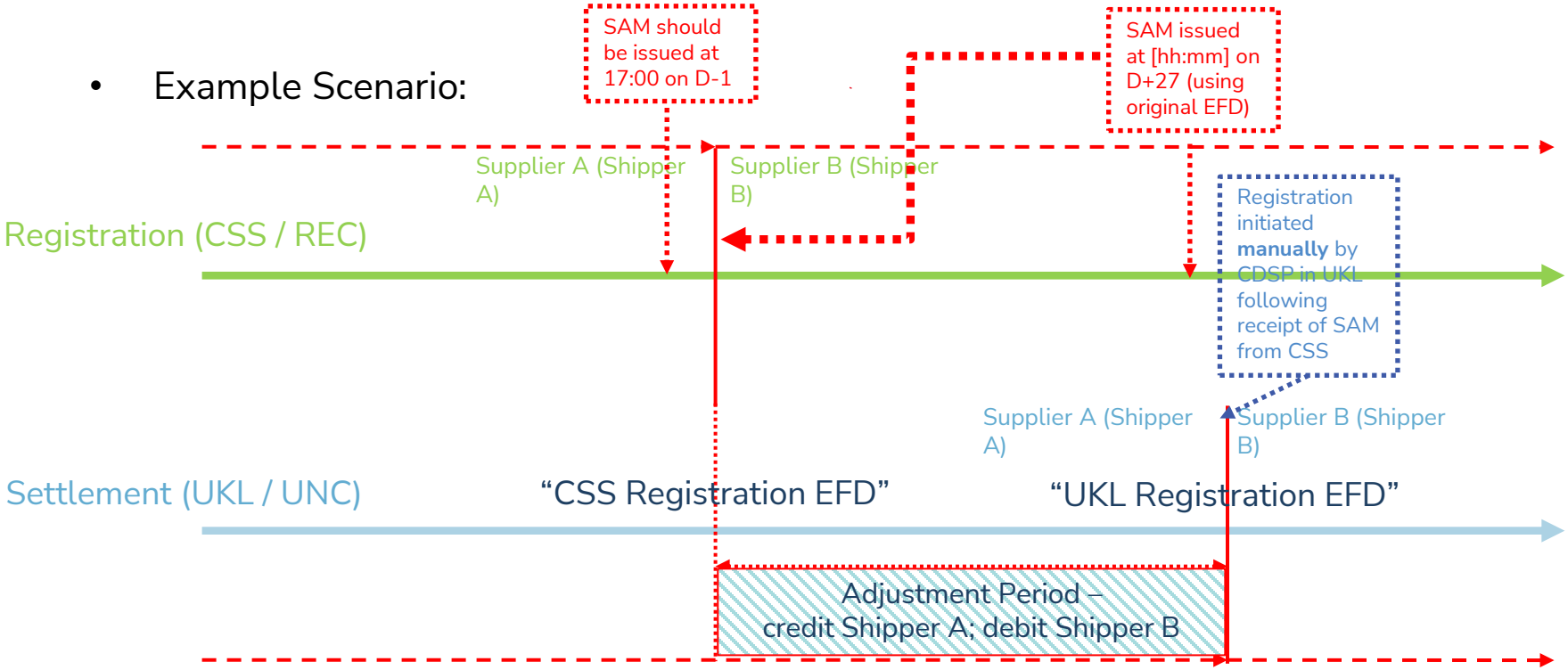
  - 0836 allows the CDSP to initiate Registration if it becomes aware that the CSS and UKL Registrations are misaligned



DCC Solution Option 2

Standard 0836 scenario – with additional activities to make relevant to incident:

- Example Scenario:



Self Service Option - Prospective Registrations

- The CDSP have sought and received clarification from DCC that the following option will work for Prospective Registrations (where the Registration Effective Date has not been passed):

- For Prospective instances then the incoming Supplier can:
  - Submit a withdrawal which will lead to cancellation of the impacted Switch, and
  - Resubmit their Switch [for the original date – subject to timings in the REC]

- The above option will retain alignment between CSS and UKL Registration Effective Dates, and therefore not lead to a Settlement discrepancy nor require CDSP intervention

- It is NOT planned that there is a requirement to include in any Modification to address Settlement Issues caused by the CSS P1 Incident

Self Serve- Initiation of Retrospective Registrations

- The CDSP have sought and received clarification from DCC that the following option will work for Retrospective Registrations (where the Registration Effective Date has been passed):

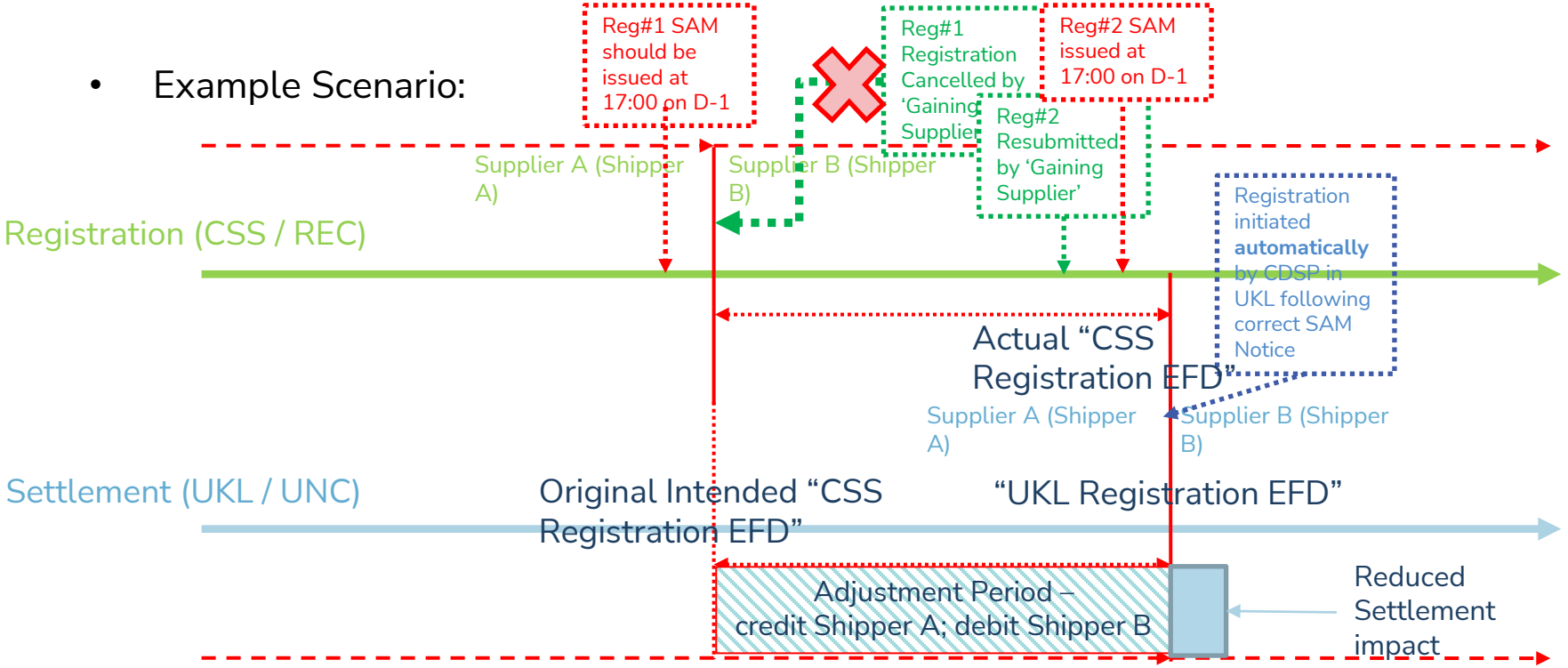
- For Retrospective instances then the incoming Supplier can:
  - Submit a withdrawal which will lead to cancellation of the impacted Switch, and
  - Resubmit their Switch [for a *subsequent date* – subject to timings in the REC]

- The above option will not require CDSP intervention in Registration
- Potentially lead to Settlement Issues (as UKL and CSS Registrations will align, but will not align to consumer contracts – i.e. Supplier Retail systems)

Self Serve – Initiation of Registrations but Original CSS Registration Date cannot be achieved on Resubmission

Standard 0836 scenario – with additional activities to make relevant to this scenario:

- Example Scenario:



Definition of Impacted Sites

- Supply Meter Points in scope of the Modification will be:

- Supply Meter Points impacted by the CSS P1 Incident that has meant that the Original Intended CSS Registration Effective Date has not been reflected in UKL
  - Included in Secured Active Notifications issued retrospectively by the Switching Operator between 2nd and 8th August (needs to take account of exceptions issued after this final date … when these are issued is TBC) (DCC Option 2 Resolution (see slide 9))

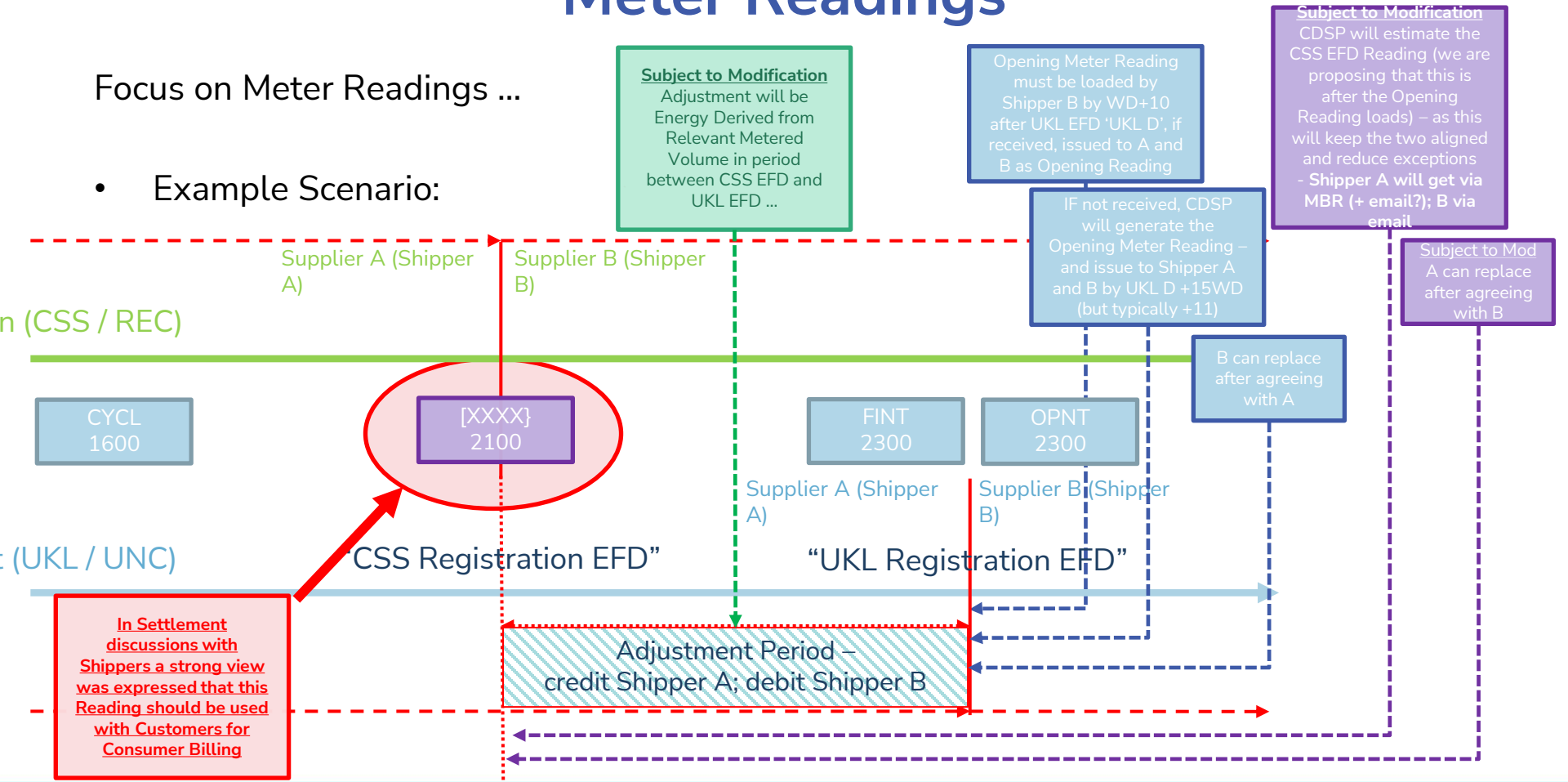
  And / Or
  - Appears in the CDSP compiled list of impacted Supply Meter Points – i.e. is a Meter Point identified as impacted by was not issued as a Secured Active Notification by the Switching Operator as the Supplier proactively cancelled and issued the Registration therefore were not included in DCC Option 2 (see slide 12)
    - i.e. a Shipper / Supplier cancelled a Registration for a Prospective Date and resubmitted but were unable to retain the Original Intended CSS Registration Effective Date

- It is also proposed that Shippers may also submit a request for a Supply Meter Point to be considered for adjustment – as:
  - the CSS data extract is incomplete despite being the 'master' of the Registration,
  - the CDSP extract is based on 'best assessment' of the CSS issue but as the Switching Operator has been unable to articulate the Root Cause of this issue then it is difficult for the CDSP to define an unequivocal dataset

Meter Readings

Focus on Meter Readings …

- Example Scenario:



Thank you!

- Views invited!