



**MONARCH PARTNERSHIP**

*Utilities simplified*

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# How To Benefit from BSC P272 and P322

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*A GOOD THING FOR YOUR BUSINESS*

**The Monarch Partnership Ltd.**

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*2016 April Edition*



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# WE WILL SORT P272 OUT FOR YOU

## **P272 and P322 in Brief**

The UK energy industry is braced for a regulatory change that will significantly change the way in which business energy use is metered and billed – P272 and BSC Modification P322 (Balancing and Settlement Code BSC Panel). P272 only affects meter profile classes 05-08 that have AMR meters installed.



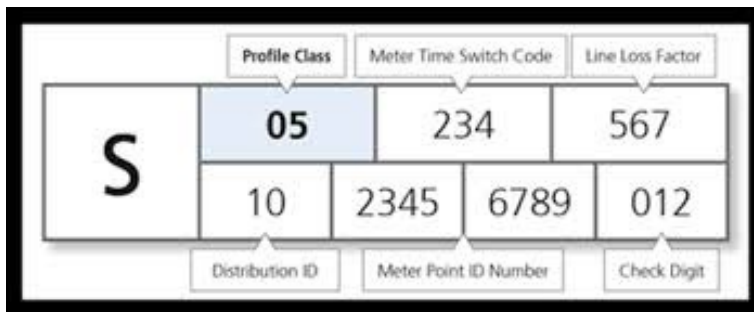
## **Value You Get from Us**



- ▶ Dedicated P272 experts who assess your current situation
- ▶ Change de-mystified and P272 opportunities utilised
- ▶ Smooth transition management and guarantee your new bills will be correct
- ▶ Your electricity use and costs visualised with our Monitoring and Targeting
- ▶ Control on how and when to use electricity to be more energy efficient
- ▶ Reduced consumption at peak times to lower your costs
- ▶ The most suitable power contracts for your organisation also in the future

# ARE MY METERS AFFECTED?

Look at your energy invoice and the **MPAN, the Meter Point Administration Number/ Supply Number** on it. Your profile class is the first two digits of your S Number, on the uppermost row of your supplier invoice.



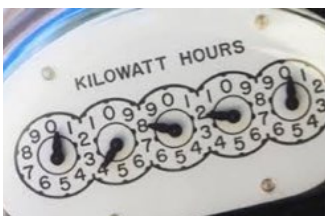
**If your profile class says 05, 06, 07 or 08 then your meter is affected by P272.**

An advanced meter is one that can record half-hourly consumption data and gives the supplier remote access to that data.

BSC Modifications P272 and P322 apply to businesses in Profile Classes 5-8 that have advanced meters (see Q4). If you do not have an advanced meter, you are not affected.

For more information, please see the OFGEM factsheet: [www.ofgem.gov.uk/publications-and-updates/cheaperpeak-electricity-business-consumers](http://www.ofgem.gov.uk/publications-and-updates/cheaperpeak-electricity-business-consumers).

We can help you by appointing a highly experienced Data Collector (DC) and Meter Operator (MOP), at a potentially lower cost than your suppliers' choice, to ensure that you receive the accurate and timely electricity data to help you monitor your usage.



The MO, DC and DA are collectively called Supplier Agents.

In many cases, one Supplier Agent will perform all three roles.

# HOW WILL YOU HELP MY ORGANISATION IN PRACTICE?



- ▶ We will take care of the whole project on behalf of you / for you:
- ▶ Supplier negotiations
- ▶ Smart Meter acquisition / purchasing
- ▶ Financing options for the smart meters
- ▶ If you are our customer, we will subsidise the smart meters
- ▶ Full Smart Meter installation project management
- ▶ Acquiring your account statements from energy suppliers
- ▶ Creating your meter asset register for smart asset management
- ▶ Acquiring meter readings from suppliers
- ▶ Comparing meter readings with your invoices / audit all your invoices

## A GOOD THING FOR MY BUSINESS?

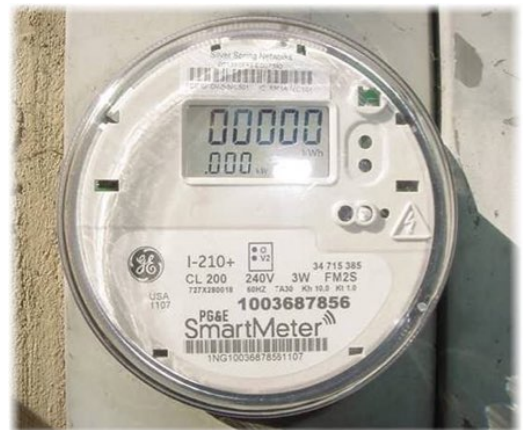
**In short: yes.** P272 will give all 160,000 affected meters more accurate billing and energy consumption data. You can purchase and use energy more efficiently, and save money as a result. The bills you currently receive are in fact based on how much you use, **but not when you use it** - P272 changes that with new time-of-use tariffs.

The costs of buying and transporting electricity vary significantly over the day. BSC Modification P272 encourages suppliers to offer new **time-of-use tariffs**, where the price varies according to the time of day that electricity is used.

When you choose a time-of-use tariff, you can make big savings on bills by using electricity when it is cheapest, for example, when demand is lower or when low-cost renewable electricity is available.

### Smart Meters - Are They Worth the Investment?

The new **smarter meters** allow the half hourly data to be used to calculate to the penny how much it costs to supply you with the energy you use at the time you use it. If your business uses energy at times of low demand, you'll benefit from lower unit prices. But the real added bonus is that P272, combined with **our management reporting dashboards**, provides you with insight into how, when and where your business uses energy every half an hour of every day.



This data can really help you to drive efficiencies on site, perhaps by changing your processes to alter when you are using energy, or ensuring energy-consuming devices are managed better. Shopping around for the MOP, a DC required by P272 could save you up to £700 a year for every site that meets the criteria. For a more detailed appraisal of how P272 affects your business, call us on **020 8835 3535**, email us at [savings@monarchpartnership.co.uk](mailto:savings@monarchpartnership.co.uk) or speak with your executive relationship manager.

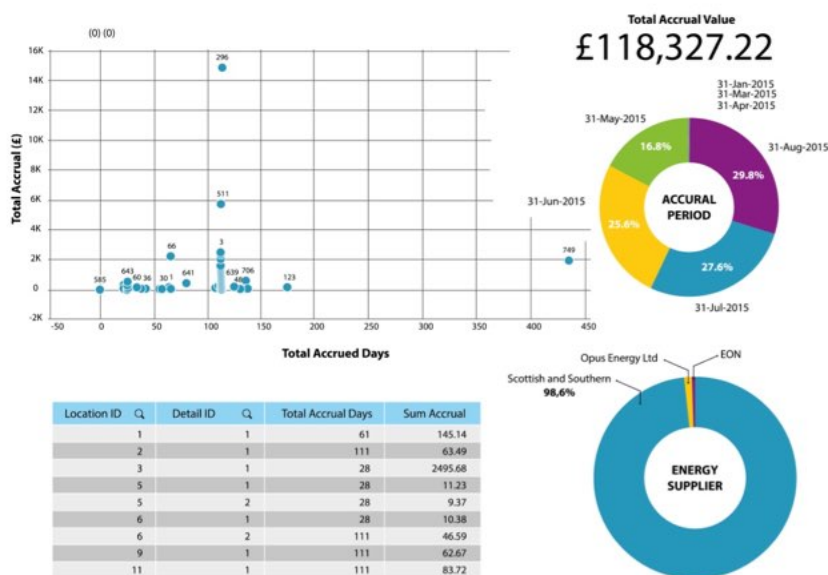
# ENERGY MANAGEMENT REPORTS YOU CAN USE

## Comprehensive data management and 24/7 Online Reports

With over 65,000 meters within our responsibility we are the market leader in analytical energy information management. Our state of the art reporting system supplies important data for your decision making and planning. We support you with data acquisition and make sure your whole organisation benefits from our energy management reports, for example:

- ▶ Energy Consumption profile
- ▶ Asset Register creation and updates with changes
- ▶ Quarterly and annual consumption trend analysis
- ▶ Cost variances across any selected periods
- ▶ Average spend per unit/site across the entire portfolio
- ▶ CO2 emissions data and analysis
- ▶ Accrual reports serving as payment remittance

Access your reports, analyses and scanned invoices 24/7online at [www.monarchpartnership.co.uk/client-area/](http://www.monarchpartnership.co.uk/client-area/)



**Our Management Reporting Example**



# HELP, WHEN DO WE NEED TO DO THIS?

While many in the industry agree with the thinking behind the Ofgem proposal, there has been a lot of discussion around when and how it should be implemented. The proposed deadline for implementation was initially 1st April 2016.

However, the Balancing and Settlement Code (BSC) Panel, the representative body for energy suppliers, have requested [and had accepted](#) a modified implementation date of April 2017. This revised date will give suppliers a chance to discuss the changes with their customers during contract renewals and will enable the transition to take place more smoothly.

This adjusted time frame will not delay the start of the process. It will give energy suppliers and customers the opportunity to plan for the changes and ensure that they are implemented in the most effective way.

The new guidelines require existing meter sites in these classes to be upgraded to Half Hourly (HH) settlement via a Change of Measurement Class (CoMC) depending upon the following energy supply renewal dates:

## Energy Supply Renewal Dates and HH Meter Upgrades

Tables look best when you create them in Pages, rather than add them as images. Your readers will be able to enlarge the content and get definitions even in table cells.

Supply Renewal Date	Meter Upgrade Required
29th Oct 2014	1st April 2016
5th Nov 2015	Within 45 days of the renewal date
After 1st April 2017	1st April 2017

[Energy Supply Renewal Dates and upgrade to Half Hourly \(HH\) settlement viaCoMC](#)



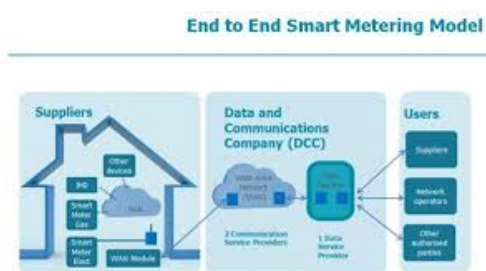
# REFRESHER: WHAT ARE P272 AND P322 EXACTLY?

## Why are they implemented?

Balancing and settlement code BSC Modifications P272 and P322 change the way electricity suppliers buy energy, and pay to transport it to some business customers.

As part of the drive to ensure bills are more reflective of energy usage, Ofgem are implementing a new Balancing and Settlement Code (BSC) regulation known as P272.

The objective of this change is to have bills based on more accurate data, benefitting both customers and the energy industry alike. This will be achieved by collecting data from advanced meters, through Automated Meter Readings (AMR), rather than through industry standard projections of their energy use. Two additional changes have been passed that dictate how distribution and transmission charges will be applied during and after the implementation of P272.



BSC Modification P272 is a requirement on electricity suppliers, from 1st April 2017, to collect and use half-hourly consumption data in settlement for some business customers, (those in Profile Classes 5 to 8 that have smart meters installed) instead of estimates to determine the energy and network costs.

## Any organisation affected by P272 will need to take the following action:

- ▶ A MOP and DA/DC contract will need to be put into place.
- ▶ Ensure extra charges are budgeted for (these are likely to be in the region of £300-£500 per site per annum).
- ▶ Ensure a record is kept of the available capacity agreed by the DNO.

## BSC Modification P322 to help implement P272

BSC Modification P322 is a change to the BSC that requires suppliers, from 5 November 2015, to half-hourly settle businesses in Profile Classes 5-8 with advanced meters **within 45 days of acquiring the customer or renewing their contract.**

The process for comparing the amount of energy a supplier's customers have used and the amount the supplier has bought, and determining the charges to be paid for any imbalance, is called settlement.

Including also to charge or pay suppliers for uncontracted energy according to the costs (or costs savings) the System Operator incurs in remedying this in real-time.

BSC Modification P322 as an additional element to the BSC Modification P272 provides a phased and orderly transition to half-hourly settlement for consumers in Profile Classes 5- 8 before P272 takes effect on 1 April 2017.

you can also read the factsheet by Ofgem to understand change even better, see [www.ofgem.gov.uk/publications-and-updates/cheaper-peak-electricity-business-consumers](http://www.ofgem.gov.uk/publications-and-updates/cheaper-peak-electricity-business-consumers)





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