

Issue 103 – Meter Registrants and Settlement Risk – A New Way Terms of Reference

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1. Background

- 1.1 The Proposer believes there will be value in setting up a BSC Issue Group to review existing controls for Settlement error prevention. It is critical to the Proposer that effective controls are in place prior to the Settlement timetable being shortened by Market-wide Half Hourly Settlement (MHHS) as the opportunities to readdress will be reduced thereafter. The Issue Group will review the existing controls Elexon has in place to detect and mitigate Settlement errors, and further investigate the following areas: Metering; Performance Monitoring and Investigations; and Roles and Responsibilities.

2. Scope

- 2.1 It is expected that any required Modifications and Change Proposals in support of this work will be raised and developed in parallel to the progression of the Issue Group rather than after its conclusion. This is to ensure that benefits from the work of the Issue Group are realised as quickly as possible.
- 2.2 A Performance Assurance Board (PAB) Sub-group will also be set up to discuss improvements to the operation of the existing processes and controls Elexon has in place for Settlement errors. This Issue Group will focus on reviewing the current governance arrangements for Settlement error prevention.
- 2.3 We expect the following groups to be impacted by this Issue and invite them to join the Issue Groups:
- Distributors
 - Independent Distributors
 - Suppliers
 - National Grid Electricity System Operator (NGESO)
 - Transmission System Operators (TSOs)
 - Transmission (Tx) connected Generators
 - Storage providers - particularly those with Tx connections
 - Meter Operator Agents (MOAs)
 - Half Hourly Data Aggregators (HHDAs)
 - Non Half Hourly Data Aggregators (NHHDAs)
 - Other BSC Agents
 - Data Analysts
 - Trade bodies that may represent any of the above groups
- **Expected Issue Group Timetable and Desired Outcomes of each meeting**
- Elexon propose the following progression route and outcomes for each meeting:

Proposed Issue Group Progression Timetable

Event	Date	Comments
Publish Issue Group form on BSC website	W/C 22 Aug 2022	
Seek Issue Group members	W/C 22 Aug – 26 Sept 22	Elaxon will seek members to join the Issue Groups.
Issue group 1	W/C 10 Oct 22	Desired outcomes of first meeting: <ul style="list-style-type: none"> • Overview of existing controls to detect and mitigate Settlement errors. • Discuss customer consumption monitoring, including embedded Central Volume Allocation (CVA) sites and Supplier Volume Allocation (SVA) portfolios – who is/are best placed to monitor and manage their impact on GSP volumes?
Issue group 2	W/C 7 Nov 22	Desired outcome of second meeting: <ul style="list-style-type: none"> • Discuss who has operational influence and responsibility of works on Metering Systems at GSP sites. • Discuss who is best placed to ensure overall metering system accuracy. • Discuss the impacts associated with Independent Connection Providers (ICPs) installing Meters.
Issue group 3	W/C 5 Dec 22	Desired outcome of third meeting: <ul style="list-style-type: none"> • Discuss if the current allocation of responsibilities for Metering are relevant and fit for purpose. Are the current contractual obligations clear, aligned, and transparent? • Discuss whether there is a case to explore whether the calculation methodology for Line Loss Factors (LLFs) are fit for purpose in light of increased embedded generation, behind the meter consumption and, in some networks, exporting Grid Supply Points (GSPs).
Issue group 4	W/C 30 Jan 23	Desired outcome of fourth meeting: <ul style="list-style-type: none"> • Discuss the Supplier Volume Allocation Agent (SVAA) Tolerance Checks – Are there other monitoring and diagnostic tools which can complement or enhance? • Discuss estimation of CVA data. Are the estimation rules appropriate? Is estimation to zero a suitable option? Do Registrants have robust processes for approving estimates? • Discuss whether load flow models be used to identify locational changes. How can the models across GSP Groups identify Distribution Systems Connection Point (DSCP) issues?
Issue group 5	W/C 27 Feb 23	Desired outcome of fifth meeting: <ul style="list-style-type: none"> • Discuss the controls that are checked through the work of the BSC Auditor and Technical Assurance Agent. • Discuss whether the roles and responsibilities are sufficiently clear for an auditor to be able to properly define and allocate non-compliances under the Code?

Proposed Issue Group Progression Timetable		
Event	Date	Comments
Issue group 6	W/C 27 March 23	Desired outcome of sixth meeting: <ul style="list-style-type: none"> This is a contingency meeting to discuss any other requirements. If no further requirements need to be discussed then we will not hold this meeting.
Present Issue Report to Panel	11 May 2023	

- The above timetable assumes six meetings (one being a contingency meeting) are required to address the issue and agree the next steps, whether that be another Issue Group, Modification or CPs etc. If more are required then the Issue group will continue to conduct meetings, however we are not expecting this Issue Group to run beyond 12 months.

- Other**

- For the avoidance of doubt, the [standard Issue group Terms of Reference](#)¹ will apply in addition to the additional requirements detailed in this Terms of Reference.

Attachments

Attachment A – Meter Registrants and Settlement Risk – A New Way

For more information, please contact:

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¹ <https://www.elexon.co.uk/documents/change/issues/terms-of-reference-for-issue-groups/>