ELEXON

Issue 96 Workgroup Meeting 3 Summary

Summary

1.   Meeting Objectives

The Chair welcomed attendees and presented the meeting objectives:

● Present proposed Option 2C solution developed by Elexon;
● Discuss the points for consideration for Option 2C;
● Discuss whether Option 2C should be progressed as a solution for Issue 96;
● Confirm next steps.

2.   Option 2C solution

Elexon presented the proposed solution and discussion points. The basis of Option 2C is that each customer purchasing exempt supply will have a Shared SVA Metering Arrangement, to provide them with an additional Metering System Identifier (MSID). This Secondary MSID will be used for their exempt supply purchases, and their primary MSID will be used for licensed Supply. The process of calculating exempt supply volumes will be performed by a third party, the Exempt Supply Calculation Agent (ESCA), rather than the Half Hourly Data Collector (HHDC). It was noted that the solution would currently require a Supplier to have different Supplier IDs, as it utilises the Shared SVA Meter Arrangements. However, Modification P425 would remove this issue if approved.

Upon discussing the detailed process there was an agreement that existing data flows should be utilised where possible, rather than creating new ones. There was some discussion around how the HHDC would know that a given export MSID should be treated as exempt supply. The WG concluded that this could be included within the allocation schedule or as a separate dialogue between the Supplier and HHDC, as it fell outside the scope of the existing data flows.

Elexon also presented their proposed solutions for ensuring that impacts to imbalance are mitigated, and the WG concluded that this solution should be included as part of any change progressed as a result of Issue 96 (Option 3 and/or Option 2C).

3.   Validation for Option 2C

Under Option 2C, the role of the HHDC is to submit into Settlement exempt supply volumes which have been calculated by a third party. The question therefore arises of how much validation of these volumes the HHDC should perform. There was discussion around data validation vs qualification, as it would be potentially disproportionate to have both but at least one would be needed if the information from the ESCA were entering settlement. There were also concerns raised that extensive process and system changes for HHDCs would impact the ability to implement the solution quickly.

A WG member from a HHDC shared the view that HHDCs would be ambivalent about performing validation. Significant validation would add extra work, but they could perform checks to stop infeasible values entering settlement.

The WG agreed that mandated validation by HHDCs would not be necessary, but that HHDCs would likely implement some checks, such as flagging and questioning extraordinary values.

4.   Progression of Option 2C

The WG was keen for the benefits of an Issue 96 solution to be implemented as soon as possible, and felt that if Option 2C could be progressed more quickly than Option 3 then it was worth progressing both. For example, if Option 2C were able to be progressed as a Change Proposal rather than a Modification then it could be implemented far sooner. The amendments to BSCP550 could be covered by a Change Proposal, but the creation of a new role – the ESCA – may require a Modification.

There was also some concern as the solution would require HHDCs to be willing to make the required system changes to provide this service. The possibility of using a Request for Information (RFI) to ascertain if any HHDCs would be

likely to participate was discussed, but without a detailed solution it would be hard for HHDCs to conduct a reliable cost benefit analysis. The WG decided that progressing the change and gathering this information in the consultation stage of the change progression would be more useful.

Actions

No.	Action	Owner
1.	Ensure solution is future-proofed in regards to MHHS.	Elexon
2.	Update the Strawman document to reflect the decisions made by the Workgroup and the queries raised	Elexon
3.	Confirm if it is possible for Option 2C to be progressed as a Change Proposal or if it has to be a Modification.	Elexon
4.	Generate proposed timelines to compare the progression of Option 3 and Option 2C, given the decision made in the meeting.	Elexon
5.	Consider timelines and make final decision on whether to progress Option 2C.	WG