**P395 Frequently Asked Questions**

**1. What are Final Consumption Levies (FCL), and who calculates them?**

Final Consumption Levies (FCL) are charges which recover the costs associated with schemes such as Contracts for Different (CFD) and the Capacity Market (CM). They are charges calculated by the Electricity Market Reform Settlement Company (EMRS) based on import volumes that ‘supply’ assets as defined in the Electricity Act.

**2. Why was P395 implemented, and when did it come into effect?**

 Elexon implemented P395 in November 2023 to adjust the data provided by BSC Systems to EMRS systems for the purpose of calculating FCL in accordance with BEIS[[1]](https://ukc-word-edit.officeapps.live.com/we/wordeditorframe.aspx?ui=en%2DGB&rs=en%2DUS&wopisrc=https%3A%2F%2Felexon.sharepoint.com%2Fsites%2FNovember2023P395Delivery%2F_vti_bin%2Fwopi.ashx%2Ffiles%2F1d0b6608e1654e95aa5de3d1eaf2190c&wdenableroaming=1&wdfr=1&mscc=1&hid=CC1AC5BD-B7A9-4E90-8653-3B6CC7C6565F&wdorigin=Sharing.ServerTransfer&jsapi=1&jsapiver=v1&newsession=1&corrid=1c29c39f-5132-4179-b0c9-20df3d126ee8&usid=1c29c39f-5132-4179-b0c9-20df3d126ee8&sftc=1&cac=1&mtf=1&sfp=1&instantedit=1&wopicomplete=1&wdredirectionreason=Unified_SingleFlush&rct=Normal&ctp=LeastProtected#_ftn1) and Ofgem’s[[2]](https://ukc-word-edit.officeapps.live.com/we/wordeditorframe.aspx?ui=en%2DGB&rs=en%2DUS&wopisrc=https%3A%2F%2Felexon.sharepoint.com%2Fsites%2FNovember2023P395Delivery%2F_vti_bin%2Fwopi.ashx%2Ffiles%2F1d0b6608e1654e95aa5de3d1eaf2190c&wdenableroaming=1&wdfr=1&mscc=1&hid=CC1AC5BD-B7A9-4E90-8653-3B6CC7C6565F&wdorigin=Sharing.ServerTransfer&jsapi=1&jsapiver=v1&newsession=1&corrid=1c29c39f-5132-4179-b0c9-20df3d126ee8&usid=1c29c39f-5132-4179-b0c9-20df3d126ee8&sftc=1&cac=1&mtf=1&sfp=1&instantedit=1&wopicomplete=1&wdredirectionreason=Unified_SingleFlush&rct=Normal&ctp=LeastProtected#_ftn2) ‘[Upgrading our energy system: smart systems and flexibility plan](https://www.gov.uk/government/publications/upgrading-our-energy-system-smart-systems-and-flexibility-plan#:~:text=The%20Smart%20Systems%20and%20Flexibility%20Plan%20outlines%2029%20actions%20the,new%20technologies%20and%20business%20models)’. The plan clarified that FCL should not be charged in relation to import to generators which falls outside the definition of ‘supply’ in the Electricity Act. P395 incorporated the interim solution implemented by EMRS on behalf of the BSC in February 2019 (for SVA sites where there is no Final Demand present).

[[1]](https://ukc-word-edit.officeapps.live.com/we/wordeditorframe.aspx?ui=en%2DGB&rs=en%2DUS&wopisrc=https%3A%2F%2Felexon.sharepoint.com%2Fsites%2FNovember2023P395Delivery%2F_vti_bin%2Fwopi.ashx%2Ffiles%2F1d0b6608e1654e95aa5de3d1eaf2190c&wdenableroaming=1&wdfr=1&mscc=1&hid=CC1AC5BD-B7A9-4E90-8653-3B6CC7C6565F&wdorigin=Sharing.ServerTransfer&jsapi=1&jsapiver=v1&newsession=1&corrid=1c29c39f-5132-4179-b0c9-20df3d126ee8&usid=1c29c39f-5132-4179-b0c9-20df3d126ee8&sftc=1&cac=1&mtf=1&sfp=1&instantedit=1&wopicomplete=1&wdredirectionreason=Unified_SingleFlush&rct=Normal&ctp=LeastProtected#_ftnref1) Department for Business, Energy & Industrial Strategy (now replaced by Department for Energy Security and Net Zero)

[[2]](https://ukc-word-edit.officeapps.live.com/we/wordeditorframe.aspx?ui=en%2DGB&rs=en%2DUS&wopisrc=https%3A%2F%2Felexon.sharepoint.com%2Fsites%2FNovember2023P395Delivery%2F_vti_bin%2Fwopi.ashx%2Ffiles%2F1d0b6608e1654e95aa5de3d1eaf2190c&wdenableroaming=1&wdfr=1&mscc=1&hid=CC1AC5BD-B7A9-4E90-8653-3B6CC7C6565F&wdorigin=Sharing.ServerTransfer&jsapi=1&jsapiver=v1&newsession=1&corrid=1c29c39f-5132-4179-b0c9-20df3d126ee8&usid=1c29c39f-5132-4179-b0c9-20df3d126ee8&sftc=1&cac=1&mtf=1&sfp=1&instantedit=1&wopicomplete=1&wdredirectionreason=Unified_SingleFlush&rct=Normal&ctp=LeastProtected#_ftnref2) Office of Gas and Electricity Markets

**3. Which assets can be declared to be exempt from FCL?**

The electricity consumed by Generation and / or Storage Facility Assets operated by a Generation Licence holder which falls outside the definition of ‘supply’ in the Electricity Act can be declared as exempt from FCL. Assets eligible for exemption from FCL include those connected to the Transmission System or Distribution System. This encompasses assets registered in the Central Meter Registration Service (CMRS) and assets measured by Half Hourly Metering Systems and registered in the Supplier Meter Registration Service (SMRS).

**4. What is the purpose of an EMR AMSID Declaration, and when is it necessary?**

AMSID (Asset Metering System Identifier) Declarations can be used where there is more than one asset behind a SVA Boundary Point with a mix of assets subject to FCL and exempt from FCL. . The Supplier is required to register each Generator and Storage Facility as a (behind the Meter) Asset and, based on the Declaration, the system calculates the proportion of Imports that should be deemed non-chargeable based on the On-Site Energy Allocation Methodology.

**5. How is a Declaration submitted?**

Declarations can be submitted through the Elexon Self-Service Gateway (Elexon Kinnect Customer Solution). Alternatively, BSCP602/04, 05, or 06 forms can be used to submit the declaration only in those circumstances where the Self-Service Gateway is not available.

**6. How are the existing declarations related to MSIDs transferred from the EMRS Interim Solution to the new P395 BSC system?**

The transfer of existing declarations related to MSIDs from the EMRS Interim Solution to the BSC system occurred as part of Modification P395 on 2 November 2023. These MSIDs were transferred into EMR MSID Declarations, and, to prevent duplication, the data stored in the EMRS system is no longer used. These declarations had an Effective From date of 2 November 2023. Prior to that date the FCL would have been determined by the EMRS Interim solution.

**7. What is the Declaration Effective From Date, and how is it determined?**

The Declaration Effective From Date is the date from when a declaration record has been or will be applied if it has been confirmed as a valid record. For new declarations, this date must be at least 10 Working Days after the submission of the declaration. For revisions to existing declarations, it should be at least 5 Working Days after the submission of the revision.

**8. What are the different Declaration record Statuses, and what do they mean?**

A Declaration is represented by a group of records that may have different statuses.

Statuses include:

* **Draft:** A saved record that has not been submitted yet.
* **Pending Validation:** record submitted by the Applicant and awaiting validation by the SVAA (Supplier Volume Allocation Agent).
* **Valid:** The declaration record has been confirmed by the SVAA, and the data related to it will be sent to EMRS for calculation purposes for the period in which the record is effective.
* **Rejected:** The SVAA has identified discrepancies in the information provided, leading to the rejection of the declaration record. The record can be resubmitted after correcting errors. Another scenario in which a record could be set to rejected status is when Elexon receives instructions from a Party to withdraw a declaration with valid records that have effective from date in the future.
* **Withdrawn:** The record is automatically withdrawn, usually when the latest declaration record has expired, or when the related role, BM Unit, or AMSID has expired.
* **Superseded:** A valid declaration record that is not the latest has expired, making it superseded.

**9. What is the role of the "Submitter" in the declaration process?**

The Submitter is the Category A or F Authorised person who is responsible for drafting, revising and submitting a declaration.

**10. What is the "Approval Date," and when is it relevant in the declaration process?**

The Approval Date is the date when the SVAA validates a declaration record. It indicates when the declaration record is officially approved.

**11. Why is the "Effective To Date" field important in declarations?**

The Effective To Date is the last date when a declaration record is valid. If the latest valid record of a declaration expires, the system automatically withdraws the whole declaration, and the declaration cannot be resumed. Once an existing EMR declaration is withdrawn, its assets can be part of a new EMR declaration.

If a valid record that is not the latest valid record expires, the system changes its status to Superseded and the following valid record becomes active.

**12. Which types of declarations are part of P395?**

P395 allows Suppliers and Generators to submit three types of declarations:

* CVA BM Unit Declaration (Non Final Demand)
* MSID Declaration (Non Final Demand)
* EMR AMSID Declaration (Final Demand)

Suppliers can submit all three types of declarations, Generators can submit CVA BM Unit declarations only.

**13. What is a CVA BM Unit Declaration, and when is it necessary?**

A CVA BM Unit Declaration is required when there is no Final Demand at a CVA-connected site. It is used to declare the relevant CVA BM Unit as exempt from FCL. BSC Systems cannot calculate BM Unit Chargeable Demand for CVA sites where there is Final Demand present. In this scenario, the Final Demand would need to be supplied through a separate CVA BM Unit (or SVA MSID if appropriate and Distribution connected).

A Supplier or a Generator can submit a CVA BM Unit Declaration.

**14. When is a MSID Declaration used, and what does it declare exempt from FCL?**

An EMR MSID Declaration is used when there is no Final Demand at an SVA-connected site. It declares the Import MSIDs and at least one Export MSID for a site as exempt from FCL charges.

**15. Can a Supplier or Generator initiate a Declaration?**

Yes, Suppliers can make three types of declarations: CVA BM Unit Declarations, MSID Declarations, and EMR AMSID Declarations, depending on their needs. Generators can make CVA BM Unit Declarations only.

**16. How is a Declaration withdrawn, and what circumstances might require its withdrawal?**

A Supplier must withdraw a declaration if it stops being appointed to an Import MSID used in a MSID or EMR AMSID declaration, or if a Supplier/CVA Registrant stops being the Registrant of a CVA BM Unit used in an EMR CVA BM Unit declaration. All three types of declarations must be withdrawn if declared Assets are de-registered or are no longer operated by a Generation Licence holder.

**17. What happens if the BSCCo identifies that an Asset should not be exempt from FCL charges?**

If the BSCCo identifies or is informed that an Asset should not be exempt from FCL charges, it will withdraw or completely reject the related declaration, and an email notification will be sent to the Declarant.

**18. When is a declaration withdrawn automatically by the Self-Service Gateway?**

A declaration is automatically withdrawn by the Self-Service Gateway on the date when a BM Unit or AMSID Pair expires, when the associated Declarant withdraws from the Market or when the latest valid record of the declaration expires. An email notification will be automatically sent to the Declarant.

**19. In relation to EMR Declarations, what is the procedure for handling a change of Supplier for an Import MSID or a change of CVA Registrant for a CVA BM Unit?**

If there is a change of Supplier for an Import MSID used in an EMR AMSID or MSID declaration, or a change of CVA Registrant for a CVA BM Unit used in a CVA BM Unit declaration, the old Supplier or CVA Registrant must withdraw the declaration. The new Supplier or CVA Registrant must wait until they become responsible for the Import MSID or CVA BM Unit and ensure that existing EMR declarations of the old Supplier or CVA Registrant related to the same Import MSID or CVA BM Unit have been withdrawn before applying for a new declaration.

**20. Can I use an AMSID Pair registered by another Party in my EMR AMSID Declaration?**

Yes, you can as far as your organisation is the Supplier of all the Boundary Point MSID(s) of the SVA site where the AMSID Pair has been registered.

**21. In relation to EMR AMSID Declarations, how can a Party become the registrant of an AMSID Pair registered by another Party?**

In relation to EMR AMSID Declarations, a Party can become registrant of AMSID Pair when the Asset is used in one of its valid declaration records.

When a Party is not the registrant of an AMSID Pair used in a valid record of its EMR AMSID declaration, a button called “Change Registrant” will be shown beside each Asset on the valid declaration record page. This button allows the Party to initiate the Asset’s change of registrant process and become the Registrant.

The Supplier may want to become the registrant of the AMSID Pair that was previously registered by a VLP. In this case, the Supplier and VLP should agree to the change of registrant outside of the BSC process before it is initiated in the system. Note that the registrant of the AMSID Pair is responsible for appointing (and having a contract outside the BSC with) the Asset Metering Agents.

 Once the process is completed, the Declarant will become registrant and thus responsible for the Asset. The old registrant will receive an email notification informing them that it is no longer responsible for the Asset.

**22. Can a Declaration be updated after it has been submitted and validated?**

You can create a revision of a validated declaration by clicking the button ‘Create Revision’ available in a declaration’s latest valid record page. If there are declaration’s records with a higher version number than the declaration’s latest valid record, the ‘Create Revision’ button will not be visible. In this case, it will be possible to update the declaration from the records that have a higher version number (e.g. by editing and then submitting an existing draft record, or by cloning, editing and then submitting a rejected record).

**23. Can I revoke / reject a Valid or Pending Validation record from the Self-Service Gateway?**

You cannot revoke / reject a Valid or Pending Validation declaration record from the Self-Service Gateway. You need to contact Elexon to request that the record is rejected.

**24. Why do I need to wait until I am the Supplier of the import MSID(s) before I can submit an AMSID / MSID declaration?**

 Our System validates against EES. Therefore, if you are not yet the Supplier in EES, while you will be able to submit a declaration record, this will be automatically rejected by setting it back to draft. An email notification will inform you about the rejection.

You need to wait until you are registered to the MSID before submitting successfully the declaration.

**25. In** K**innect, will we complete ‘non-final demand declarations’ in relation to P419 and ‘EMR declarations’ in relation to P395?**

Yes, you should submit a P395 ‘EMR Declaration’ to obtain reduced FCL charges and a P419 ‘non-final demand declaration’ to obtain reduced BSUoS charges. Please note you can submit a P395 Declaration giving 10WDs notice, but you can submit a P419 Declaration from the current date

**26. As a BSC Party that has already access to Kinnect, do we need to ask for Production access to EMR declarations.**

Your production access will be in line with whichever role you already have in Kinnect. When P395 goes live, you will automatically see the new functionality (EMR Declarations) based on the role you already have, and you will not need to submit a new request for this access. You will see the EMR Declaration functionality if you your role is that of a Supplier or/and a Generator.

**27. Are there any changes to the Settlement Reporting?**

There are no changes to the S0141 (SAA-I014, sub-flow 1) and S0142 (SAA-I014, sub-flow 2) Settlement Reports that are sent to Suppliers/Generators. These Reports will be unchanged, and will continue to include “Total Demand”.

Please note that the P395 solution will adjust only the S0421 (SAA-I042) data flow that is sent to EMRS). This Report will be amended to include ‘TLM-Adjusted BM Unit Chargeable Demand’ instead of ‘TLM-Adjusted BM Unit Gross Demand’.

**28. Which sites would qualify to be included in an EMR AMSID Declaration? Would you be able to provide more information on how I could identify these sites from our customers?**

With regards to identifying sites that are relevant, you would need to talk to your customers about whether there is generation and / or battery storage facilities at an SVA-connected site operated through a Generation Licence, and if there are, whether there is also Final Demand present at the site. Generation and / or Battery storage facilities within these conditions will be eligible to be part of an EMR AMSID Declaration. You do not need to declare all the facilities that meet the criteria.

For each of the eligible facility you want to declare, an AMSID registration is a prerequisite to EMR AMSID declarations.

Suppliers will be required to register each Generator and Storage Facility they want to declare as a (behind the Meter) Asset in order to obtain an AMSID Pair for each.  The proportion of Imports that should be deemed non-chargeable will be calculated in accordance with the On-Site Energy Allocation Methodology Document.  The following diagram gives an example of a SVA Final Demand site and the Assets that would need to be registered as AMSID Pairs and included in the declaration.



If a facility has already obtained an AMSID Pair as it has already been registered by another Party, the declarant Supplier can use this asset in its declaration without repeating the registration.

**29. Why I cannot see the ‘Clone’ button on a Rejected declaration record?**

The Button is displayed only if the record is the latest record of the declaration. In other words, only if there are not any other records with a greater version number and same Declaration Reference. You need to open the latest record of the declaration to create a revision of a valid record or clone a rejected record. This will allow you to edit and submit a new declaration record.

**30. Why I cannot see the ‘Create Revision’ button on a Valid declaration record?**

The Button is displayed only if the record is the latest record of the declaration. In other words, only if there are not any other records with a greater version number and same Declaration Reference. You need to open the latest record of the declaration to create a revision of a valid record or clone a rejected record. This will allow you to edit and submit a new declaration record.

**31. What is a facility for P395 and how is it different from a facility in P419**

For P395, a facility is a single asset at a site of category generation or storage. For P419, a facility is a group of assets at a site, for this reason the category of a P419 facility can be also a combination of generation and storage.

**32. What’s the Facility name field in an EMR Declaration?**

It is a field where you can freely name, for your reference, a facility included in an EMR declaration. The only limitation is that you cannot choose a name that is already used in a valid record of another EMR declaration of your organisation. There are no limitations about using the same facility name for facilities included in a P395 and P419 declarations of your organisation. This could be the case where you would like to include the same facility in a P395 and P419 declaration.