

# P419 Microsoft Teams Meeting

---

- Welcome to the P419 teleconference – we'll start in a moment
- No video please – conserve bandwidth
- All on mute – use IM if you can't break through
- Talk – pause – talk
- Lots of us are at home – be mindful of background noise and connection speeds

# ELEXION

---

## **P419 – Workgroup 3**

---

Enhanced Reporting of Demand Data to the  
NETSO to facilitate BSUoS Reform

4 November 2021

# Meeting Objectives and Agenda

| Agenda Item                    | Lead                   |
|--------------------------------|------------------------|
| Welcome and meeting objectives | Lawrence Jones (Chair) |
| Workgroup 2 - Action Updates   | Craig Murray           |
| Proposed Solution              | Callum Chalmers        |
| Terms of Reference             | Workgroup              |
| Initial Voting                 | Workgroup              |
| Next Steps                     | Craig Murray           |
| AOB                            | Workgroup              |

## Objectives:

- Agree the solution to be taken forward for industry consultation;
- Agree the progression of the Modification



# WORKGROUP 2 ACTION UPDATES

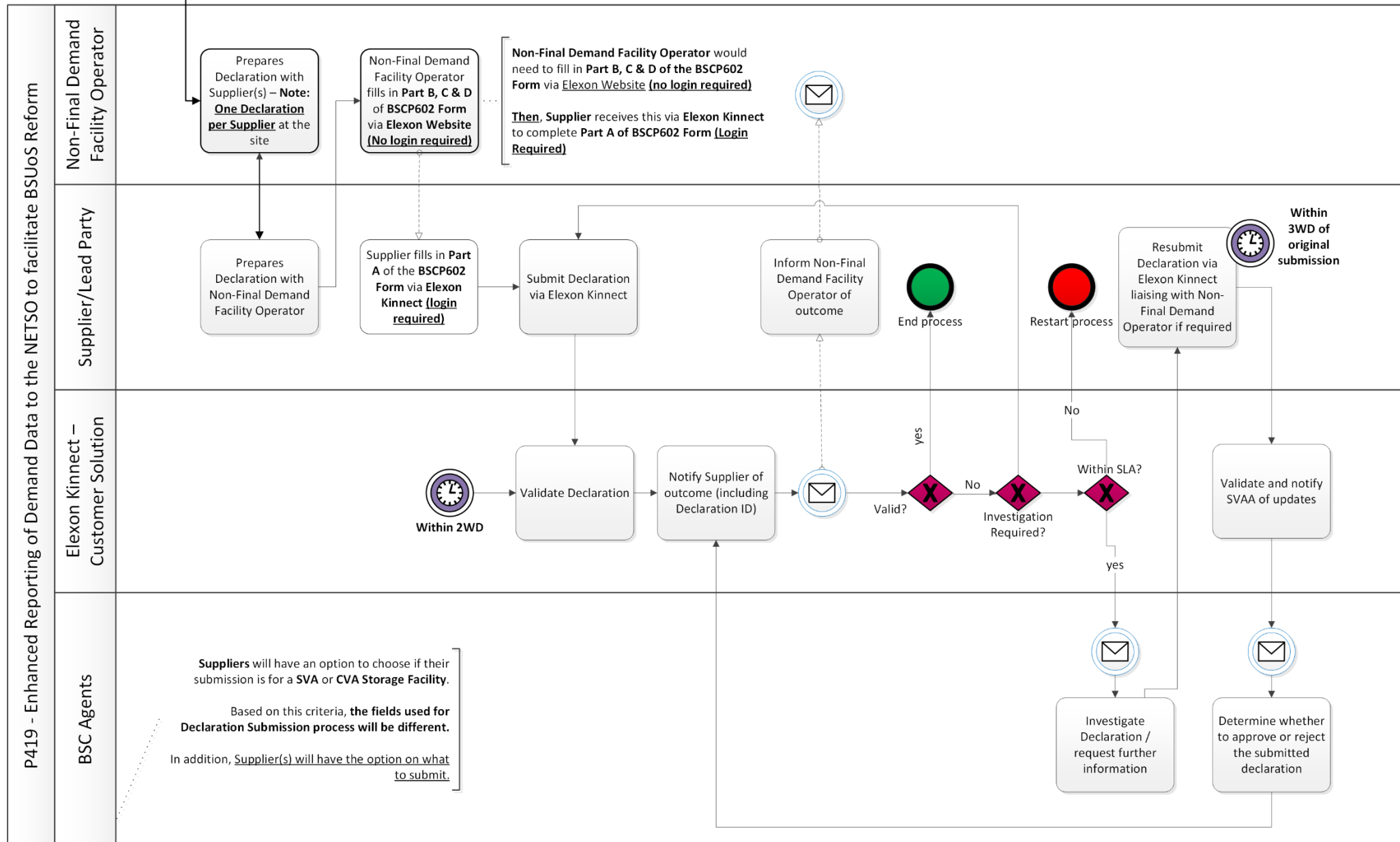
## P419 – Workgroup 2 Action Updates

| # | Action  | Update           |
|---|---|------------------|
| 1 | Elexon to investigate benefits case of P419   | Completed        |
| 2 | Elexon to investigate whether there would be any risk to waiving the requirement for a Director's signature in the initial bulk upload of sites | Completed        |
| 3 | Elexon to investigate alignment of P395/P419 reporting requirements   | Completed        |
| 4 | NGESO to perform high level impact assessment of solution   | NGESO to confirm |
| 5 | Elexon/NGESO to determine details of CVA BSUoS-exempt reporting   | Completed        |





# PROPOSED SOLUTION



# Bulk Declarations for DUoS Exempt Sites

---

## Proposal

- Suppliers of sites that are declared DUoS exempt will not need to seek a Facility Operator signature for BSUoS declarations
- Instead, evidence of the DUoS declaration will be sufficient
- This process will only be in place between the go-live dates of P419 and CMP308.

## Reasoning

- Suppliers have suggested it was difficult to engage with Facility Operators during the DUoS declarations process, and they would like to avoid repeating the situation with BSUoS declarations

## Considerations

- Does removing the requirement for a Site Operator signature introduce any risks?
- Is there any reason a facility operator might object to this proposal?



## SVA Reporting

- BSCCo will publish monthly data on Non-Final Demand Metered Volumes – manual process
- Sum of all metered demand data for Non-Final demand facilities, broken down by Settlement Day, Settlement Period, GSP Group
- BSCCo won't publish data that could be attributed to a single facility. If there is a single facility in a GSP group, data for multiple GSPs could be combined

## Considerations

- The Panel can from time to time amend the content and frequency of reporting
- Future Analysis and Insights solution will be used to publish data more frequently – website publication of data an interim step

## CVA Reporting

- Proposer no longer including CVA declarations in the solution
- Should CVA reporting be included in solution?

## Considerations

- Workgroup previously indicated that a minimum of a published list of CVA exempt sites would be required to analyse/identify trends and predict BSUoS liabilities
- Preferred reporting to align with SVA (i.e. published list of sites and aggregated monthly demand by GSP Group)
- Where should the data be held?

# P419 Data Publication

---

## Options for CVA reporting

### Where does it sit?

- Elexon
- NGESO

### What's being published?

- List of exempt CVA sites
  - BMU ID, Effective from Date, Effective to Date

OR

- List of exempt CVA sites and aggregated exempt CVA non-final demand volume
  - How frequently should this be published?



# TERMS OF REFERENCE



## P419 – Terms of Reference

---

- a) Is the CVA declarations process an appropriate means to exclude CVA non-Final Demand from BSUoS charges?
- b) If a signed declaration is made, should export metered values be collected to validate a site's eligibility for exemption?
- c) How will P419 impact the BSC Settlement Risks?
- d) What changes are needed to BSC documents, systems and processes to support P419 and what are the related costs and lead times? When will any required changes to subsidiary documents be developed and consulted on?
- e) Are there any Alternative Modifications?
- f) Should P419 be progressed as a Self-Governance Modification?
- g) Does P419 better facilitate the Applicable BSC Objectives than the current baseline?
- h) Does P419 impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?

## P419 – Terms of Reference (a)

---

**Is the CVA declarations process an appropriate means to exclude CVA non-Final Demand from BSUoS charges?**

Proposer has withdrawn this part of the solution due to risk of timeline impacts - does the Workgroup believe the P419 solution should incorporate CVA non-final demand declarations of exemption from BSUoS charges?

## P419 – Terms of Reference (b)

---

**If a signed declaration is made, should export metered values be collected to validate a site's eligibility for exemption?**

- Export volumes should be collected for BSUoS-exempt SVA sites
- If CVA declarations included in solution - export volumes should **not** be collected for BSUoS-exempt CVA sites

## **P419 – Terms of Reference (c)**

---

### **How will P419 impact the BSC Settlement Risks?**

- P419 will not impact any BSC Settlement Risks



## P419 – Terms of Reference (d)

---

**What changes are needed to BSC documents, systems and processes to support P419 and what are the related costs and lead times?**

### **Market Participant Impacts**

- **Generators**
  - The process would require generators to sign a declaration that they were ineligible for BSUoS charges which they would send to Suppliers
- **Suppliers**
  - Suppliers would pass the above declaration to the SVAA to be excluded from Final Demand, which would in turn be sent to NGESO
- **Half Hourly Data Aggregators**
  - No impacts expected on systems and processes, but higher volume of data related to BSUoS-exempt sites expected
- **NGESO**
  - NGESO will be required to process the above declarations and process the data accordingly.

## P419 – Terms of Reference (d)

---

**What changes are needed to BSC documents, systems and processes to support P419 and what are the related costs and lead times?**

### **Document Impacts**

#### **BSC Sections:**

Section S

Section S-2

Section X-1

Section X-2

#### **BSCPs:**

BSCP503 - Half hourly data aggregation for SVA metering systems registered in SMRS

BSCP602 - SVA metering system register

#### **Other CSDs:**

SVAA Data Catalogue, Service Description and User Service Description

*Note: Most of the redlining is to change “Storage” to “Non-Final Demand”*

## P419 – Terms of Reference (d)

---

**What changes are needed to BSC documents, systems and processes to support P419 and what are the related costs and lead times?**

### **System Impacts**

- Supplier Volume Allocation Agent (SVAA)
  - P419 would increase the scope of the sites to be excluded from Final Demand data sent to NGESO, increasing the amount of declarations to be processed and requiring new capabilities to be built

### **Costs**

- Rough Order of Magnitude Impact Assessment indicates the central implementation costs for this Modification will be **£400k - £950k**
- Estimated lead time of 8 - 10 months
- Detailed impact assessment to be returned by December

# P419 – Terms of Reference (d)

---

NGESO impacts here



## **P419 – Terms of Reference (e), (f) and (h)**

---

**(e) Are there any Alternative Modifications?**

**(f) Should P419 be progressed as a Self-Governance Modification?**

P419 should not be progressed as a Self-Governance Modification as it is likely to impact Self-Governance Criteria (b) (ii), (iii) and (c).

**(h) Does P419 impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?**

P419 is not expected to impact the EBGL provisions held within the BSC

## P419 – Standard Consultation Questions

---

1. Do you agree with the Workgroup's initial unanimous/majority view that P419 does/does not better facilitate the Applicable BSC Objectives than the current baseline?
2. Do you agree with the Workgroup that the draft legal text delivers the intention of P419?
3. Do you agree with the Workgroup's recommended Implementation Date?
4. Do you agree with the Workgroup that there are no other potential Alternative Modifications within the scope of P419 which would better facilitate the Applicable BSC Objectives?
5. Do you agree that P419 does not meet the Self-Governance Criteria and so should not be progressed as a Self-Governance Modification?
6. Will P419 impact your organisation?
7. Will your organisation incur any costs in implementing P419?
8. How long (from the point of Ofgem approval) would you need to implement P419?

## P419 – Additional Consultation Questions

---

1. Should the number of exemption declaration routes be rationalised?
2. Do you agree with the Workgroup's views on CVA/SVA reporting requirements?
3. For initial declaration of sites before the CMP308 go-live date, would a Supplier-led declarations process, using data in existing declarations for DUOS billing purposes, be acceptable?
  - If so, given that the DUOS declaration does not require a signature from a director of the non-final demand site, would it be appropriate to waive this requirement?
  - What number of sites do you expect to be registered in this way?



# INITIAL VOTING



## **P419 – Initial views against the Applicable BSC Objectives**

---

- a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission License
- b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System
- c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity
- d) Promoting efficiency in the implementation of the balancing and settlement arrangements
- e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]
- f) Implementing and administering the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation
- g) Compliance with the Transmission Losses Principle

## P419 – Implementation Approach

---

- Proposer recommends an Implementation Date for P419 of **23 February 2023** as part of the February 2023 standard BSC Release
- Will allow the SVAA to process declarations from Suppliers before the implementation of CMP308 on 1 April 2023
- Are the Workgroup supportive of this approach?



# NEXT STEPS



## P419: Next Steps

| Event  | Date                     |
|--|--------------------------|
| Present IWA to Panel                         | 13 May 2021              |
| Workgroup meeting 1                          | 23 July 2021             |
| Workgroup meeting 2                          | 12 October 2021          |
| <b>Workgroup meeting 3</b>                   | <b>4 November 2021</b>   |
| Assessment Procedure Consultation            | 15 Nov 2021 – 6 Dec 2021 |
| Workgroup Meeting 4                          | W/C 13 Dec 21            |
| Present Assessment Report to Panel           | 13 Jan 22                |
| Report Phase Consultation                    | 17 Jan 22 – 28 Jan 22    |
| Present Draft Modification Report to Panel   | 10 February 22           |
| Issue Final Modification Report to Authority | 16 February 22           |

A.O.B

# ELEXON

## THANK YOU

---

**Craig Murray**

---

Craig.Murray@elexon.co.uk

4 November 2021