

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

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

23 July 2021

Meeting Objectives and Agenda

Agenda Item	Lead
Welcome and meeting objectives	Lawrence Jones (Chair)
Background	Sean Donner (Proposer)
Terms of Reference	Craig Murray (Lead Analyst)
Proposed Solution	Workgroup
Declarations Process	Workgroup
Assurance and Validation	Workgroup
Legal Text	Workgroup
Next Steps	Craig Murray
AOB	Workgroup

Objectives:

- Agree the solution to be taken forward for Business Requirement development and industry consultation;
- Agree the progression of the Modification



BACKGROUND

Background

- Following the Targeted Charging Review, the second BSUoS Task Force was launched. The Task Force made two recommendations for implementation in April 2023:
 - BSUoS should be charged to Suppliers based on their Final Demand
 - BSUoS should be recovered using a fixed tariff
- Connection and Use of System (CUSC) Modification CMP308 'Removal of BSUoS charges from Generation' is proposing that BSUoS is charged to Final Demand in line with the recommendation of the Task Force.
- The proposer of CMP308 considers that benefits include removing barriers to GB generators so that they can compete with European generators who currently don't pay any balancing charges.
- CMP308 also creates a level playing field between Transmission and Distribution connected generators and behind the meter generation as they would all not be exposed to BSUoS charges.
- This BSC Modification is being raised to support CMP308, by ensuring National Grid ESO receives required SVA HH Final Demand metered data for BSUoS billing purposes excluding non-Final Demand.

Defect

- National Grid ESO currently rely on Elexon to collect and report aggregated metered data for Supply Volume Allocation (SVA) registered Metering System Identifiers (MSIDs), which is reported in the P0210 'TUoS Report' data flow.
- In addition to the existing Supplier Metered Data provided in the P0210, P383 'Enhanced reporting of demand data to the NETSO to facilitate CUSC Modifications CMP280 and CMP281', implemented on 1 April 2021, introduced requirements for certain additional metered volumes to be reported separately and a 'corrected' Supplier BMU data position to be provided.
- However, these volumes still include metered data for certain eligible service facilities that CMP308 would seek to exclude.

What has been considered?

- The proposed approach to aggregating metered data is to extend processes introduced by P383 to enable the aggregation of metered data for these specific 'declared' electricity generation facilities and eligible service facilities, for which the proposed process is:
 - 1) Self-declaration
 - 2) Validation
 - 3) Instruction to HHDA to report metered data
 - 4) Report metered data to SVAA
 - 5) Aggregate metered data
 - 6) Report aggregated Metered Data
- The proposed approach to assurance is to utilise and extend the processes introduced by P383.
- NGESO also consider that aligning the CVA process with SVA may result in a more robust industry wide mechanism.

BSC Objectives

- The proposed solution would be Positive against the following BSC Objectives:
- (a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence – this proposal would put in place processes to collect, aggregate and report metered volumes to NGENO which are necessary to support NGENO in the calculation of network charges in accordance with its licence. This solution makes use of existing P383 processes which we found to be the most efficient way to obtain the data in the timescales we would need it by.
- (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 – the proposal would promote effective competition in the generation and storage of electricity by enabling the benefits of CMP308 and the recommendations from the second BSUoS Taskforce.



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?



PROPOSED SOLUTION

P419 – Proposed Solution

The proposed solution is to extend the current P383 solution for storage sites to include all Non-Final Demand sites. That is;

- A declaration process for sites that meet the definition of non-final demand site set out in the CUSC
- SVAA requests HH metering data from HHDA for declared sites
- SVAA aggregating metered volumes from these sites and reporting to NGESO
- Validation process for declaration
- An assurance agent to investigate concerns raised about any sites in the process

Current P383 Process

The current P383 process was implemented in April 2021.

Declaration

- A Licensed storage site operator who imports only for storage and no other final demand is not eligible for BSUoS on that import
- The operator must complete and sign a declaration as set out in [BSCP602 – SVA Metering System Register](#) and pass to their SVA supplier(s) at the site
- The Supplier then forwards the signed declaration to SVAA from a Cat A. or Cat. F signatory
- SVAA validate to declaration is duly signed and is complete.
- SVAA will then request the relevant HHDA(s) to send the Site HH data (Import and Export to SVAA)

Data Process

- HHDAs send SVAA the requested HH data
- SVAA checks the data is complete for each site
- SVAA then aggregates the Import data for each HH by BMU and then sends to NGESO;
 - Total Gross Demand
 - Total Non-Final Demand
 - Total Corrected Gross Demand

Changes to P383 for P419

- Under P383 only storage sites with a generation licence are eligible. The requirement for a licence is removed in the current CUSC drafting.
- The solution applies to SVA sites only. CVA sites will still go direct to NGESO
- Declarations will be submitted using the Elexon Kinnect Customer platform. (currently declarations are emailed to SVAA)
- Process needs to be in place for February 2023 release so declarations can be submitted for April 2023 CUSC change. (Subject to Ofgem approval of CMP308)
- NGESO will receive total NF Demand metered volumes. It will not be split between storage, Generation and eligible Services, or combinations of these.



DECLARATIONS PROCESS

P419 – Declaration process

Two options:

Options	Process	Advantages	Disadvantages
A	Supplier receives Signed declarations from site operators and enters them into Kinnect (Cat. A or F. Signatory)	Supplier knows what sites NF demand status is being claimed for and can validate declaration information is correct before submission	Suppliers will need to resource entry of details from paper declarations.
B	Site Operators enter details onto Kinnect and Suppliers then authorise them via signatory	Less work for Suppliers as only have to authorise.	Most sites are not BSC parties and thus not Kinnect users. (but could be) There would need to be a trigger to alert suppliers of the need to authorise sites Greater system development.

Note: By using Kinnect, then Suppliers should have better sight of which sites are considered NF Demand.

Longer term solution

Currently Non-Final Demand Sites need to declare their status for the following:

- DUoS (SVA only)
- TNUoS
- BSUoS
- CFD & CM (Licenced operators only)

All of these have slightly different criteria and different start dates.
Some are charged on volume others on a per day basis.

A longer term and more customer friendly solution could be for declarations to be entered (by site operator or Supplier) just once into Kinnect (both CVA & SVA) and this information passed on to the relevant charging parties.

We recommend this is not the P419 solution because:

1. There are multiple mods across multiple codes in flight or already agreed and it would be difficult to co-ordinate and unpick solutions agreed but awaiting implementation
2. It is unlikely this solution could deliver before charging arrangements change. (e.g. for BSUoS April 2023)

However, it may be useful to discuss whether the proposal has merit so P419 solution is future proofed.



VALIDATION AND ASSURANCE

P419 – Validation and Assurance

Current P383 Process

Declarations

- SVAA checks declaration is complete, has a Generation licence (using Ofgem web site) and is signed by a Director (using Companies House Web Site)
- SVAA checks Supplier signatory is a Category A or F signatory
- SVAA checks type of declaration is valid (New, CoS, CoA etc.) and where site has more than one supplier, all suppliers have submitted declarations.

Data

- SVAA alerts to any missing data from HHDA
- On a monthly basis, Elexon check that the storage site's export is approximately 90% of import

Assurance

- Elexon has appointed an assurance agent to do site visits where any anomalies are reported.

P419 – Validation and Assurance

Proposed Process

Declarations

- Suppliers will be responsible for ensuring declarations are duly signed and data correct. (Note: Holding a Gen. Licence check falls away)
- Kinnect will have validation checks on declaration input including Supplier signatory.
- SVAA checks type of declaration is valid and where site has more than one supplier, all suppliers have submitted declarations.

Data

- SVAA alerts to any missing data from HHDA
- **No pro-active data checking is done** (for discussion: What cost effective checks could be done for all 3 types of NF Demand Sites? Should checks on Storage (export v Import) continue?)

Assurance

- Elexon will appoint an assurance agent to do desktop and site visits where any anomalies or suspicions are reported.



LEGAL TEXT

P419 – Legal Text

Impacted BSC Documents

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

BSCP508 - Supplier volume allocation agent

BSCP602 - SVA metering system register

Other CSDs:

SVAA Data Catalogue

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



NEXT STEPS

P419: Next Steps

Event	Date
Present IWA to Panel	13 May 2021
Workgroup meeting 1	23 July 2021
Workgroup meeting 2	W/C 27 September
Assessment Procedure Consultation	11 Sep 21 – 29 Oct 21
Workgroup Meeting 3	W/C 15 Nov 21
Present Assessment Report to Panel	9 Dec 21
Report Phase Consultation	13 Dec 21 – 4 Jan 21
Present Draft Modification Report to Panel	13 January 21
Issue Final Modification Report to Authority	19 January 21

A.O.B

ELEXON

THANK YOU

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23 July 2021