

## P437 Digital Meeting Etiquette

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- Welcome to the P437 Workgroup meeting 1 – we'll start shortly
- No video please to conserve bandwidth
- Please stay on mute unless you need to talk – use IM if you can't break through
- Talk – pause – talk
- Lots of us are working remotely – be mindful of background noise and connection speeds

## Slido Guidance

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- In order to make our Workgroups more engaging and to ensure that all participants' voices are heard we've started using the Slido plug-in for MS Power Point.
- Everyone should be able to vote and answer questions live during the presentation using Slido

### Requirements:

- Internet access
- Web browser
- Participants can join at [slido.com](https://slido.com) with **7036723**

**Joining as a participant?**

# Enter code here



# ELEXION

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**P437 – Allowing non-BSC Parties to  
request Metering Dispensations**

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Meeting 1

24 May 2022

# Meeting Agenda

Objectives for this meeting:

- Consider the background of P437
- Consider the P437 Work Group Terms of Reference
- Consider any potential solution(s) which may require further development for discussion at future meetings
- Confirm the next steps

Agenda Item	Lead
1. Welcome and meeting objectives	Elliott Harper (Chair)
2. P437 Background, Issue and proposed solution	Iain Nicoll (Subject Matter Expert)
3. Terms of Reference	Stanley Dikeocha (Lead Analyst)
4. Workgroup discussion	Workgroup
5. Next steps	Stanley Dikeocha
6. AOB & Meeting close	Elliott Harper



# P437 BACKGROUND AND ISSUE





# BACKGROUND

## Overview

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- BSC Section L ‘Metering’ outlines the requirements for Metering Dispensation applications
- Section L also requires that a Registrant of the Metering System submits the Metering Dispensation application
  - Registrants are typically appointed nearer the energisation of the applicable site
- Elexon currently recommends that the application is submitted at least **14 weeks** before the desired Metering Dispensation approval date
- The requirement, which permits only the Registrant of the Metering System to submit the application, makes it difficult for the applicant to adhere to the **14 week** guideline
- This Modification seeks to extend the current Registrant requirement in Section L to non-BSC Parties

## Background

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- Developer knows they need a Metering Dispensation at the design stage, due to the commercial proposal, of the project but can't find a Registrant willing to submit the Metering Dispensation application
- The Licensed Distribution System Operator (LDSO) may not want to commit to progressing the design and build of the Metering Equipment required for the Metering System without the Metering Dispensation having been approved
- The commercial side of the project may be limited without certainty around the metering solution and whether it would be compliant with the schemes the developer wishes to take part in, e.g -
  - Capacity Market;
  - Contracts for Difference; or
  - Ancillary Services
- Where loss compensation needs to be applied as part of the Metering Dispensation, the required test results and equipment specifications may not be available, e.g.
  - Factory Acceptance Testing of Power Transformers;
  - Current Transformer (CT) and Voltage Transformer (VT) manufacturer calibration test certificates;
  - Cable/overhead line type specifications; or
  - Cable/overhead line distances at site
- Metering Dispensations can be approved conditionally subject to the Electrical Loss Validation Agent (ELVA) approving the compensation values that have been applied
- If this is going to be a common issue, a Generic Metering Dispensation would be the most practical solution but needs to be submitted by a Party



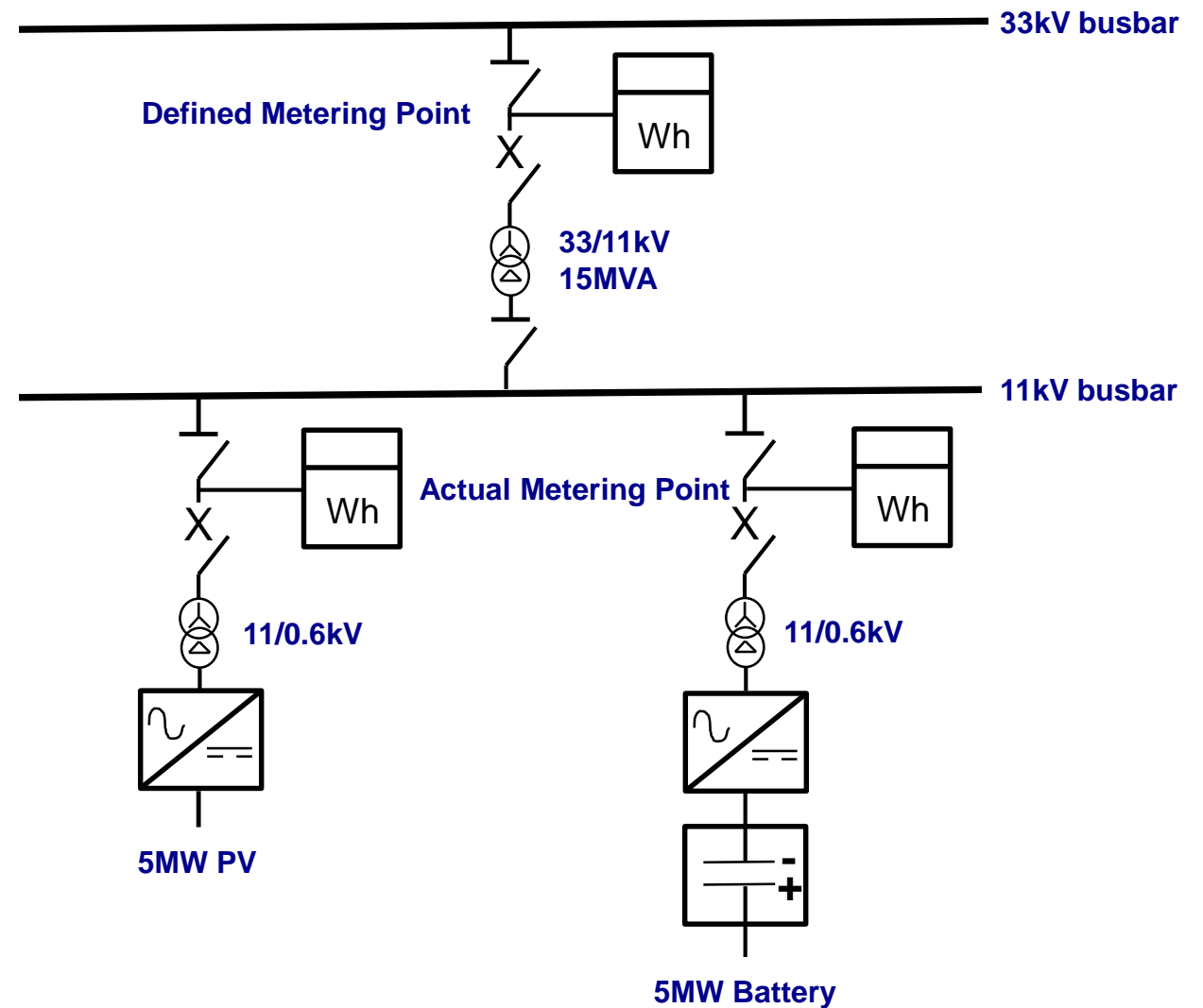
## Background

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- We suggest 14 weeks as a guideline for Applicants
- If/when an application is submitted 14 weeks (as per the guideline) in advance, it still creates a challenge for the Imbalance Settlement Group (ISG)/Supplier Volume Allocation Group (SVG) to suggest any amendments, if/when identified
- The Developers, at this point, would have made significant progress in the site works, and any amendments suggested by the ISG/SVG may potentially:
  - being financially prohibitive;
  - being practically prohibitive;
  - delaying energisation; and
  - cost impact to customer and viability of project
- The first two points meeting the requirement in Section L of financial reasons or reasons of practicality
- This results in SVG/ISG feeling obligated to approve the Metering Dispensation
- Where the issue is going to be common and a Generic Metering Dispensation would be the best solution it needs to be submitted by a Party who may have no real interest or technical knowledge of the solution e.g. an issue with a Meter not being compliant with the Code of Practice (CoP), for example password length, that the Meter manufacturer would wish to request a Generic Metering Dispensation. The Meter manufacturer would have to find a Party willing to raise it

## Background – example

- Site developer has a proposal to install Photo Voltaic (PV) and Battery Storage behind a single Boundary Point
- Developer needs to separate the site for commercial reasons (e.g. PV has a Contracts for Difference)
- It is a new connection and there is no Registrant
- Each part of the site needs to be Registered separately with a Metering System installed for each
- The Actual Metering Point (AMP) is not at the Defined Metering Point (DMP) and a Metering Dispensation is required for the location of the Metering System not being compliant with the relevant CoP



## Background - Section L Requirements

- [Section L](#) (3.4) allows the Registrant of a Metering System to apply for a Metering Dispensation where they cannot meet the requirements of the relevant CoP
  - This is for financial reasons or reasons of practicality
- The process for reviewing a Metering Dispensation is defined in [BSCP32](#) – Metering Dispensations
- The Panel has delegated authority for Metering Dispensations to the Supplier Volume Allocation Group (SVG) and the Imbalance Settlement Group (ISG) based on ownership of the relevant CoP as specified in the [BSC Baseline Statement](#):
- The Panel, or a Party, can raise a generic Metering Dispensation against a requirement in the relevant CoP
- Where a generic Metering Dispensation is raised, BSCCo must consult all Parties
- BSCCo keeps a list of all Metering Dispensations and notifies the Technical Assurance Agent (TAA) when approved or amended

### From BSC Baseline Statement

CoP	Relevant Committee
1	ISG
2	ISG
3	ISG & SVG
4	ISG & SVG
5	SVG
6	SVG
7	SVG
8	SVG
9	SVG
10	SVG

## Background - Section L Requirements

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- The Panel is required to consult prior to approving a Metering Dispensation:
  - a) National Electricity Transmission System Operator (NETSO) (if applicable);
  - b) Relevant Distribution System Operator (if applicable);
  - c) A Party, where not the Registrant, who is responsible for the Aggregation Rule; and
  - d) Such other persons if any as the Panel shall consider appropriate
- Under d) BSCCo will consult with:
  - a) Metering Dispensation Review Group (MDRG); and
  - b) Electrical Loss Validation Agent (ELVA) where loss compensation is being applied in the application

BSCP32 lists potential Affected parties the applicant must seek view from:

- a) NETSO;
- b) Licensed Distribution System Operators (LDSO);
- c) Low Carbon Contracts Company (LCCC) – only where a Contract for Difference (CfD) is involved;
- d) Customers;
- e) Party, where not the Registrant, who is responsible for the Aggregation Rule;
- f) Where the Metering System has not been registered at the time of application, Affected parties include all BSC Parties; and
- g) For generic Metering Dispensations, Affected parties include all BSC Parties

## Issue Summary

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- The current Metering Dispensation requirement in Section L permits only the Registrant of a Metering System to apply for a Metering Dispensation
- This means that when a non-BSC Party (e.g. the site developer) identifies the need for a Metering Dispensation during the site development stage, they can't apply until a Registrant is appointed
- This current arrangement doesn't encourage the applications to be made sufficiently early to enable the ISG/SVG to make reasoned and well informed decisions
- The timing of these applications has prevented recommendations for changes to improve the solution being proposed due to the site works being completed and the relevant circuit about to be energised
  - This ultimately, poses a risk to BSC Settlement



An aerial photograph of a rural landscape. In the center, a white wind turbine stands in a green field. To the bottom left, there is a small farm with a grey-roofed house and a large group of black and white cows grazing nearby. The landscape is divided into several green fields by brown stone walls. The right side of the image is overlaid with a solid teal color.

# METERING DISPENSATION PROCESS

### Initial Process for Applicant



Applicant normally submits a draft proposal for Elexon to do a ‘critical friend’ review

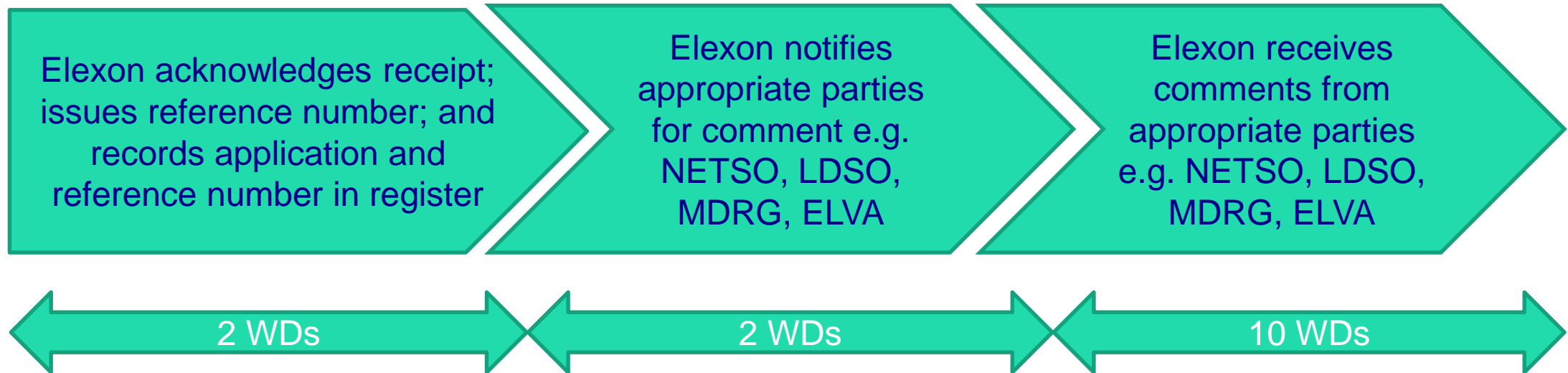
Other areas for Applicant to deal with:

Loss compensation calculations for:

- Power Transformer losses
- Cable, line or busbar losses
- Current Transformer (CT) errors
- Voltage Transformer (VT) errors

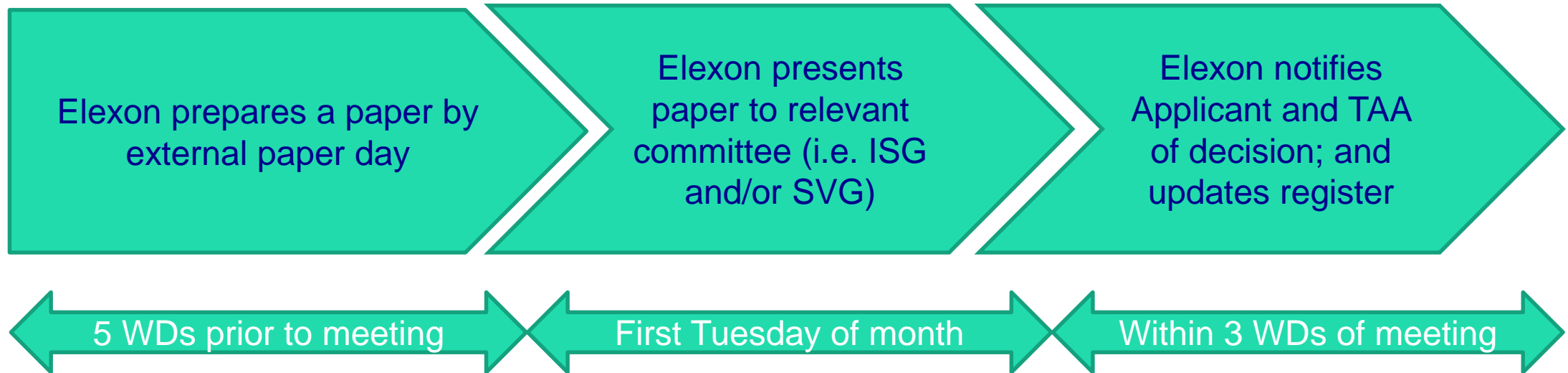
Normally in conjunction with a Meter Operator Agent (MOA) (either Central Volume Allocation (CVA) or Supplier Volume Allocation (SVA) – Metering Equipment Manager (MEM) under the Retail Energy Code (REC))

### Review Process – Part One



Elexon records the application and reference number in the Metering Dispensation Administration System (MDAS) database

### Review Process – Part Two



Where a paper cannot be prepared for internal paper day (5 WDs prior to external paper day) or finalised by external paper day decision is delayed to the next scheduled committee date

Under exceptional circumstances (e.g. security of supply issues) decisions can go ex-committee

Applications can be delayed if there are comments from appropriate parties that need to be addressed prior to going to Committee

# Publications – Site Specific Metering Dispensations

Site Specific Metering Dispensations					
Dispensation No:	Site Name:	Type:	MSID:	Start Date:	Expiry date:
D/ 1	City Road GSP	Lifetime	7171	24/09/1990	
D/ 2	Risley DSCP	Lifetime	0030	13/06/1991	
D/ 4	Melksham GSP	Lifetime	2813	13/06/1991	
D/ 5	East Claydon GSP	Lifetime	2227	12/08/1991	
D/ 6	Willesden GSP	Lifetime	1629	22/07/1991	
D/ 7	Willesden GSP	Lifetime	1625	22/07/1991	
D/ 9	Ealing GSP	Lifetime	1200	22/07/1991	
D/ 11	Barking C GSP	Lifetime	1622	27/12/1991	
D/ 12	Barking West GSP	Lifetime	1627	27/12/1991	

Elexon publishes a statement of Site Specific Metering Dispensations that includes the reference number, type, Metering System Identifier and if temporary, the expiry date

<https://www.elexon.co.uk/guidance-note/statement-non-confidential-site-specific-metering-dispensations/>

Confidential Metering Dispensations are **not** published on the website



## Publications – Generic Metering Dispensations

Statement of Generic Metering Dispensations

Ref number	Summary of reason for dispensation	Expiry Date
D/380	<p>This generic Metering Dispensation applies to HH SVA customers of CoPs 3 &amp; 5 within private distribution systems/ Licence Exempt Distribution Networks in which Metering Equipment cannot be located at the Defined Metering Point (DMP) but is otherwise fully compliant with CoP5 or CoP3.</p> <p>Where this Metering Dispensation is to be applied the SVA Registrant is required to:</p> <ul style="list-style-type: none"><li>• ensure that the Registrant of the Boundary Point Metering (main L/L supply) is in agreement and has applied the complex metering arrangements for difference metering;</li><li>• fully account for any electrical losses between the DMP and the AMP;</li><li>• appoint and maintain the same HHMOA and HHDC as the Registrant of the Boundary Point Metering;</li><li>• provide ELEXON with the relevant MSIDs to which these arrangements apply (<a href="mailto:metering@elexon.co.uk">metering@elexon.co.uk</a>);</li><li>• Provide ELEXON with conformation of compliance in all other respects; and</li><li>• Agree to use the MTC code 997.</li></ul> <p>Guidance in the use of this Metering Dispensation can be found on the <a href="#">Metering Dispensation page</a> of the <a href="#">BSC Website</a>.</p>	Lifetime

Elexon publishes a statement of Generic Metering Dispensations that includes the reference number and a summary of the reason for the dispensation

<https://www.elexon.co.uk/guidance-note/statement-generic-metering-dispensations/>

## Timings

Activity	Scenario 1 (standard path)	Scenario 2 (delayed path)
Application Received	28 March 2022	6 April 2022
Appropriate parties review	13 April 2022	22 April 2022
Internal Paper Day	20 April 2022	25 May 2022
External Paper Day	26 April 2022	31 May 2022
Committee Date	3 May 2022	7 June 2022
Decision notification	4 May 2022	8 June 2022
<b>TOTAL</b>	<b>28 WDs</b>	<b>47 WDs</b>

Elxon recommends submitting an application at least **14 weeks (70 Working Days(WDs))** in advance of the proposed date of energisation of the circuit, or before the Applicant requires the Metering Dispensation to be approved

This doesn't include any pre-submission work by the applicant which can take weeks:

- Consult Affected parties;
- Prepare single line diagram;
- Calculate compensation values;
- Draft application; and
- Have submitted by authorised signatory



# BSC PANEL'S VIEW ON P437

## Feedback from Panel on P437

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- A member of the Panel suggested that Workgroup should consider exactly how far back in the site development process can non-BSC Parties request Metering Dispensation
  - Determining an appropriate SLA would prevent the risk of creating a non-compliant Metering System design
- Another Panel member asked if a register of all Metering Dispensations could be made available? Elexon confirmed that a register already exists and is published on the Elexon website.
  - Elexon suggested that the Workgroup could consider whether a more detailed records of Metering Dispensation applications could be published on the Elexon website





# ASSESSING THE SOLUTIONS



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## Solution – Option (1)

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Section L 3.4 is updated to allow a non-Registrant to request a Metering Dispensation and includes who could submit an Application e.g. the relevant Meter Operator Agent (CVA and/or SVA):

### Pros

- Solves the problem of late applications due to lack of Registrant

### Cons

- Roles that can submit an Application is in the Code and would require a Modification to be amended
- Generic Metering Dispensation still needs to be submitted by a Party

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**Option 1 – what do you think of this option?**

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## Solution – Option (2)

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Section L 3.4 is updated to allow a non-Registrant to request a Metering Dispensation and refers to BSCP32 which includes who could submit an Application e.g. a Meter Operator Agent:

### Pros

- Solves the problem of late applications due to lack of Registrant
- Roles that can submit an Application is in the Code Subsidiary Document (CSD) and would only require a Change Proposal and not a Modification to be amended

### Cons

- Generic Metering Dispensation still needs to be submitted by a Party

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**Option 2 -what do you think of this option?**

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## Solution – Option (3)

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Section L 3.4 is updated to allow a non-Registrant to request a Metering Dispensation and a non-Party for a generic Metering Dispensation and includes who could submit an Application e.g. a Meter Operator Agent:

### Pros

- Solves the problem of late applications due to lack of Registrant
- Solves the problem of Generic Metering Dispensation needing to be submitted by a Party

### Cons

- Roles that can submit an Application is in the Code and would require a Modification to be amended



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**Option 3 - what do you think of this option?**

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## Solution – Option (4)

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Section L 3.4 is updated to allow a non-Registrant to submit a Metering Dispensation and a non-Party for a generic Metering Dispensation and refers to BSCP32 which includes who could submit an Application e.g. a Meter Operator Agent or a Meter manufacturer:

### Pros

- Solves the problem of late applications due to lack of Registrant
- Solves the problem of Generic Metering Dispensation needing to be submitted by a Party
- Roles that can submit an Application is in the CSD and would only require a Change Proposal and not a Modification to be amended

### Cons

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**Which of the options do you prefer and think is robust? why?**

## Recommendations

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Elxon recommends Option (4)

This option:

- Solves the problem of late applications due to lack of Registrant;
- Solves the problem of Generic Metering Dispensation needing to be submitted by a Party;
- Roles that can submit an Application is in the CSD and would only require a Change Proposal and not a Modification to be amended;
- Applications submitted by experts on metering and the CoPs. This should avoid mistakes with the equipment being installed (e.g. accuracy classes and redundancy);
- Reduced administration burden on Registrants or Parties only being used to submit an Application;
- Applications are still assessed by the MDRG and ELVA (if applicable); and
- All Parties would still be consulted for Generic Metering Dispensations

We do not recommend having a consultation for site specific Metering Dispensations (as we do for generic) submitted by non-Registrants as it is no different to where there is a change of Registrant for a site with a Metering Dispensation and we get very few responses to these consultations

We would recommend expanding the Statement of Site Specific Metering Dispensations to include details on the nature of the Metering Dispensation



# TERMS OF REFERENCE



P437 specific Terms of Reference

ToR	Details
a)	Should the scope of this Modification be extended to allow non-BSC Parties to apply for Generic Metering Dispensations?
b)	What mitigation should be implemented to manage the impact on Registrants and what should the role of the Registrants be?

P437 standard Terms of Reference

ToR	Details
c)	How will this Modification impact the BSC Settlement Risks?
d)	What changes are needed to BSC documents, systems and processes to support this Modification 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 be progressed as a Self-Governance Modification?
g)	Does better facilitate the Applicable BSC Objectives than the current baseline?
h)	Does impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?



# WORKGROUP DISCUSSION

## Impact on Registrants

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- The expectation is that a Registrant of a Metering site where a Metering Dispensation has been approved, will accept and be accountable for that site.
  - How will the Registrants be impacted?
  - What additional requirements should be put in place to mitigate the impact on them

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**What impact will the solution have on Registrants? How can we mitigate the impacts?**

① Start presenting to display the poll results on this slide.

## BSC Panel's comments

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- How early in the site development process can a non-BSC Party request a Metering Dispensation?
  - The aim of this consideration is to determine an appropriate SLA that would limit the risk of creating a non-compliant Metering System design
- Should Elexon publish a more detailed record of all Metering Dispensation applications (Generic and Site-specific)?





**How early in the site development process can a non-BSC Party request a Metering Dispensation?**

① Start presenting to display the poll results on this slide.

## How will P437 impact the BSC Settlement Risk?

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- List of SVA risks with relevant risks in bold
  - [001 SVA Risk: Metering Point Registered Incorrectly](#)
  - [002 SVA Risk: Metering System Attributes are incorrect](#)
  - **[003 SVA Risk: Metering Equipment Installations are incorrect](#)**
  - [004 SVA Risk: Metering Equipment changes are not notified](#)
  - [005 SVA Risk: Metering Equipment Faults are not resolved](#)
  - [006 SVA Risk: Incorrect Meter detail transfer on change of agent](#)
  - [007 SVA Risk: Metered Data is not retrieved](#)
  - [008 SVA Risk: Metered Data is not processed or transferred](#)
  - [009 SVA Risk: Data Aggregator Processing incorrect](#)
  - [010 SVA Risk: Transfer of Meter Read History incorrect](#)
  - [011 SVA Risk: Unmetered Supplies volumes calculated incorrectly](#)
  - [012 SVA Risk: Meter System Technical Details inaccurate](#)
  - [013 SVA Risk: Manual Adjustments to Metered Data incorrect](#)
  - [014 SVA Risk: Agent not appointed correctly](#)
  - [015 SVA Risk: Reference Data incorrect](#)
  - [016 SVA Risk: Energisation Status incorrect](#)
  - [017 SVA Risk: exception reports not managed correctly](#)
  - [018 SVA Risk: Revenue Protection volumes are not settled](#)
- Elaxon's view is that this Modification could positively impact the **BSC Settlement Risk 003**. The earlier assessment of Metering Dispensation applications could result in amendments, which may mitigate the Risk of the Metering System being inaccurate

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**Which of the SVA Risks do you think this Modification impacts?**

① Start presenting to display the poll results on this slide.

## How will P437 impact the BSC Settlement Risk?

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- List of CVA risks with relevant risks in bold
  - [019 CVA Risk: Registration](#)
  - [020 CVA Risk: Metering Equipment Installation and Commissioning](#)
  - [021 CVA Risk: Retrieval and Processing of Metered Data](#)
  - [022 CVA Risk: Metering system technical details are not created or notified correctly](#)
  - [023 CVA Risk: Fault resolution](#)
  - [024 CVA Risk: Reference Data](#)
  - [026 CVA Risk: Aggregation Rules](#)
  - [027 CVA Risk: Payment Default](#)
  - [028 CVA Risk: National Electricity Transmission System Operator data submissions](#)
  - [029 CVA Risk: Settlement Administration Agent calculations](#)
  - [030 CVA Risk: Energy Contract Volume Aggregation Agent processing](#)
  - [031 CVA Risk: Funds Administration Agent processing](#)
  - [032 CVA Risk: Manual Adjustments](#)
  - [033 CVA Risk: Interconnector Administrator Data Submission](#)
  - [034 CVA Risk: Service Volume Allocation Agent processing](#)
- Elxon's view is that this Modification could positively impact the **BSC Settlement Risk 020**. The earlier assessment of Metering Dispensation applications could result in amendments, which may mitigate the Risk of the Metering System being inaccurate

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**Which of the CVA Risks do you think this Modification impacts?**

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## Proposer's view

- **Code and Subsidiary Documents – Low**
  - BSC Section L 'Metering'
  - BSCP32 'Metering Dispensations'
- Document only change – to be drafted as part of the Assessment phase
- Cost estimate to implement document changes = <£1k
- **BSC Parties and Party Agents – Low**
  - Licensed Distribution System Operators (LDSOs)
  - Meter Operator Agents (SVA and CVA)
  - Suppliers
  - Registrants
  - NETSO
- NETSO and LDSOs will gain an earlier visibility of the proposed type of connection at the site, and will be able to suggest amendments
- (CVA and SVA) MOAs will need to develop/update their processes to complete the Metering Dispensation applications



# Assessment of the costs, impacts and benefits

## Benefits

- Consumer benefit area:

Impact of the Modification on consumer benefit areas:	
Consumer benefit area	Identified impact
1) Improved safety and reliability	Neutral
2) Lower bills than would otherwise be the case	Neutral
3) Reduced environmental damage	Neutral
4) Improved quality of service  Through this Modification, Metering Dispensations applications can be submitted very early on in the site development process, providing enough time for the required assessment to be completed ahead of the proposed energisation date. As a result, the instances where the energisation of the site is delayed may be reduced.	<b>Positive</b>
5) Benefits for society as a whole	Neutral

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## Are there any alternative Modifications?

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- The Workgroup is invited to consider any Alternative Modifications

# Should P437 be progressed as a Self-Governance Modification?

- Proposer's view:
  - P437 **should not** be treated as a Self-Governance Modification
  - This Modification will materially impact the BSC governance which relates to criteria (b) (v)

Criteria no.	Description
b(v)	A Modification that, if implemented is unlikely to have a material effect on the Code's governance procedures or modification procedures

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## Does P437 better facilitate the Applicable BSC Objectives than the current baseline?

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The Applicable BSC Objectives are:

- a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence
- 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 and administration 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

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## Does P437 impact the EBGL provisions held within the BSC?

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- If yes, what is the impact on the EBGL objectives?
- Proposer's view:
  - This Modification is unlikely to impact the EBGL Article 18 terms and conditions



# NEXT STEPS



## Next steps

- Summary of Workgroup meeting decisions and actions by Friday 27 May 2022
- Schedule the second Workgroup meeting

Event	Date
Present IWA to Panel	10 March 2022
Workgroup meeting 2	W/C 20 June 2022
Assessment Procedure Consultation (15WDs)	11 July 2022 – 29 Jul 2022
Workgroup meeting 3	W/C 8 August 2022
Present Assessment Report to Panel	8 September 2022
Report Phase Consultation (10WDs)	14 September 2022 – 28 September 2022
Present Draft Modification Report to Panel	13 October 2022
Issue Final Modification Report to Authority	19 October 2022

- The Proposer recommends this Modification is implemented via a special release, **five Working Days** after Authority approval.

MEETING CLOSE

# ELEXON

## THANK YOU

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**Stanley Dikeocha**

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24 May 2022