

P442 Workgroup Meeting 2 Summary

Summary

The meeting objectives were:

- Agree whether P442 solution should allow for multiple Suppliers
- Agree whether P442 solution should consider network losses
- Agree process for the application of LLFs
- Agree whether CVA should be included in the P442 solution
- Discuss consumer impacts

Discussion Points	Current Position
Multiple licenced Suppliers and Imbalance adjustments	Exelon asked the Workgroup (WG) to consider whether arrangements for multiple Suppliers should be supported, requiring Imbalance Volumes to be adjusted. Exelon presented worked examples for a single licenced Supplier and multiple licenced Suppliers, to demonstrate the impact on cash flow and Imbalance. Not including Imbalance adjustments would require less change to central BSC systems, but would result in the solution not supporting multiple Supplier arrangements, which could limit the exempt supply arrangements and limit supply competition. The Proposer felt that multiple Supplier arrangements should be enabled, but the majority of the WG did not agree. The WG requested that both options be impact assessed.
Losses	Exelon explained the types of losses, and asked the WG to consider the extent to which the network losses should be taken into account. The Proposer and WG felt that losses should be accounted for, with the majority of the WG thinking that distribution losses (LLF) and locational transmission losses (TLF) should be included, but that variable transmission losses (TLMO) should not be, due to TLMO values not being available in the appropriate timeframe.
Application of Losses	Exelon presented process diagrams showing two options, one where the SVAA and CDCA would apply LLFs, and one where the new agent would apply LLFs. The Proposer and WG both felt that the new agent should apply LLFs, as this would require fewer changes to central BSC systems, and would allow allocation of loss-adjusted volumes.
Inclusion of CVA	Exelon presented process diagrams showing the solution for SVA and CVA. The Proposer was happy to include CVA in the P442 solution, but the majority of the WG felt it was not required, due to the additional complexity and limited applicability.
Data sending method	Exelon explained how data could be shared, and proposed that the Data Integration Platform (DIP) and/or structured P-flows be used, as the relevant DTN flows will be replaced with DIP flows during MHHS implementation. There were no comments or objections from the WG.
Publicly published data	The Panel had suggested previously that the WG consider what data will be made publicly available, and Exelon proposed that exempt supply volumes be published by GSP group either daily or Half-Hourly. A WG member commented that reporting data on exempt supply would be useful for the Capacity Market (CM), and another commented that it would be useful for Supplier forecasting. They felt that publishing this data Half-Hourly would be required as CM and Contracts for Different (CfD) both use data for specific half-hours.
Party Agent or BSC Party	Exelon explained that the new role being a Party Agent would be consistent with how similar roles are handled under the Supplier Hub principle. The WG had no comments or objections.
New agent name	Exelon highlighted that the new role would no longer be referred to as the Exempt Supply Calculation Agent (ESCA) to avoid confusion with Energy Supply Company Administration. Exelon requested that the WG share any thoughts on potential names.
Consumer Impacts	The Proposer shared their views on the consumer impacts of P442. They referred to local energy, but some WG members felt that P442 is not limited to or encouraging to local energy.

Actions

No.	Action	Owner
1.	Share any thoughts on the new agent name.	WG