

# THE TARGET OPERATING MODEL FOR MARKET-WIDE HALF-HOURLY SETTLEMENT SETTLEMENTSETTLEMENT

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## GLOSSARY OF DEFINED TERMS AND ACRONYMS

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### Appendix [B]. Glossary of terms

#### A

##### **Advanced Meter**

The electricity supply licence defines an Advanced Meter as an electricity Meter that, either on its own or with an ancillary device, and in compliance with the requirements of any relevant Industry Code:

- a) provides measured electricity consumption data for multiple time periods, and is able to provide such data for at least half-hourly time periods; and
- b) is able to provide the licensee with remote access to such data.

##### **Advanced Market Segment**

The Advanced Market Segment is the Market Segment where Settlement Level Period data can be collected for Settlement purposes from Advanced Meter. For the avoidance of doubt where the Advanced Meter communications are faulty the Advanced Meter would remain in this Market Segment and the communications would be fixed by the Advanced Metering Service (MSA).

##### **Advanced Metering Service (MSA)**

The Advanced Metering Service (MSA) the Meter Operations Service that install and maintains meters in the Advanced Market Segment.

##### **Advanced Retrieval and Processing Service (ARP)**

The Advanced Retrieval and Processing Service (ARP) is the service that retrieves and processes Settlement Period Level data from Advanced Meters that are in the Advanced Market Segment.

#### B

##### **Balancing and Settlement Code (BSC)**

The BSC is the document that sets out the terms for electricity balancing and Settlement in Great Britain, including the governance process for modifications to the BSC.

##### **Balancing and Settlement Code (BSC) Panel**

The Balancing and Settlement Code (BSC) Panel is established and constituted pursuant to and in accordance with Section B of the BSC. It is responsible for ensuring that the provisions of the BSC are given effect fully, promptly, fairly, economically, efficiently, transparently and in such a manner as will promote effective competition in the generation, supply, sale and purchase of electricity.

##### **Balancing Mechanism Unit (BMU)**

A Balancing Mechanism Unit (BMU) is a grouping of Metering Systems allocated to a Trading Party within the Balancing and Settlement Code (BSC). It can relate to metering at a single physical site or be a non-physical grouping of Metering Systems for a Supplier (or other party such as Aggregators) within a region.

##### **Balancing Responsible Party (BRP)**

The Balancing Responsible Party is used in these requirements to refer to the future party that provides the role currently undertaken by the Supplier. This could potentially be a bundled services company where the provision of electricity is only one of the services provided.

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## C

### **Categories**

A set of categories defined for which Load Shapes are to be provided by the Load Shaping Service (LSS).

### **Categorisation**

The process of mapping MPANs to categories for Load Shaping processes.

### **Central Data Collection Agent (CDCA)**

The Central Data Collection Agent as the BSC Agent that collects Meter data from CVA registered Metering Systems.

### **Central Volume Allocation (CVA)**

Central Volume Allocation refers to the allocation of active energy from:

- a) BM Units other than Interconnector BMUs and Supplier BMUs;
- b) Interconnectors;
- c) Grid Supply Points; and
- d) GSP Groups.

## D

### **Daily Advance Estimate (DAE)**

The Daily Advance Estimate (DAE) is the consumption value used by a smart Processing Service (PSS), in estimating SP level data, where a meter advance is not available. It is a value derived for each MPAN based on the latest available meter advance divided by the number of days in the Meter Advance. It could also be a default value where no Meter Advance is available for an MPAN.

### **Data Aggregator (DA)**

As part of the Settlement process, the party appointed by an electricity supplier in accordance with Section S of the BSC to aggregate metered consumption data to meet the requirements set out in the BSC.

### **Data Access and Privacy framework**

The government has developed a data access and privacy policy framework to determine the levels of access to energy consumption data from smart Meters which Suppliers, network operators and third parties may obtain. It also establishes the purposes for which data can be collected and the choices available to consumers.

### **Data Collector (DC)**

As part of the Settlement process, the party appointed by an electricity supplier in accordance with Section S of the BSC to retrieve, validate and process Meter readings to meet the requirements set out in the BSC.

### **Data and Communications Company (DCC)**

The DCC is the company that manages the data and communications to and from domestic consumers' smart Meters.

### **Demand-side response (DSR)**

Actions taken by consumers to change the amount of energy they take off the grid at particular times in response to a signal, such as a price.

### **DCC User Interface Specification (DUIS)**

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DCC User Interface Specification (DUIS) is the specification the document that set out in the communications interface designed to allow the communications with smart Meters. The DUIS set out valid Service Request types and the data items returned for each request type.

## **Dynamic time-of-use tariff**

A dynamic time-of-use tariff is one that provides for price or pricing structures to vary at short notice in response to market events, subject to contractual terms.

## **E**

### **Electricity Supplier**

A company licensed by Ofgem to sell energy to and bill customers in Great Britain.

## **ELEXON**

ELEXON is the organisation responsible for administering the BSC. The role, powers, functions and responsibilities of ELEXON are set out in Section C of the BSC.

## **G**

### **Globally Unique Identifier (GUID)**

The GUID is the unique identifier associated with each smart Meter serviced by the DCC.

### **Great Britain Companion Specification (GBCS)**

The Great Britain Companion Specification (GBCS) for smart metering describes the detailed requirements for communications between smart metering Devices in consumers' premises, and between these Devices and users of the smart metering system (such as Energy Suppliers and Network Operators) via the Data and Communications Company (DCC).

### **Grid Supply Point (GSP)**

A Grid Supply Point (GSP) is a point at the boundary of Transmission and Distribution Networks where Metering Systems measure import and export from the Distribution Network.

### **Grid Supply Point Group (GSPG)**

There are currently 14 GSP Groups consisting of: (i) the Distribution System(s) which are connected to the Transmission System at (and only at) Grid Supply Point(s) which fall within one Group of GSPs, and (ii) any Distribution System which: (1) is connected to a Distribution System in paragraph (i), or to any other Distribution System under this paragraph (ii), (2) is not connected to the Transmission System at any Grid Supply Point and the total supply into which is determined by metering for each half hour.

### **GSP Group Take (GSPGT)**

GSP Group Take is the data provided to the VAS, by the CDCA, giving the net volume of energy within a GSPG for each Settlement Period.

## **L**

### **Load Shape**

A Load Shape is a set of average consumption or export data for a Categorisation of Metering System in the population and is derived and provided by the Load Shaping Service.

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## **Load Shaping Service (LSS)**

The Load Shaping Service (LSS) is the service that calculates load shapes from valid Settlement Period level data accessed from the Processing Services. The Load shape data will then be used by the Processing Services (PSS) to convert Register Readings (RRs) or Daily Consumption values into Settlement Period level data.

## **Licensed Distribution System Operators (LDSOs)**

LDSOs are the companies that are licensed by Ofgem to maintain and manage the electricity distribution networks in Great Britain.

## **M**

### **Market Segments**

The five Market Segments are the four combinations of Meter types and Meter consumption data (Settlement Period level and Register Readings) plus Unmetered Supplies.

### **Market Standing Data**

Market Standing Data (MSD) is the data used by the Services to interpret the information relating to each Metering System. This data will include some of the data in the existing Market Domain Data (MDD) and will have new standing data included.

### **Market-wide**

Market-wide in the context of the SCR means the Settlement of Settlement Period data where such data can be accessed subject to data privacy and data access policy. Market-wide in the context of Services means a service which would provide cross-segment-aggregation.

### **Meter Reading Service (MRS)**

The Meter Reading Service (MRS) is the service that provides Meter Register Readings (RRs) for Meters where Settlement Period Level data is not available or cannot be accessed from Meter in the smart and non-smart Market Segments.

### **Metering Service (smart) (MSS)**

The MSS is the Meter Operations Service that install and maintains meters in the smart and non-smart Market Segments.

## **N**

### **National Grid Electricity Transmission (NGET)**

NGET is the System Operator for the electricity transmission system in Great Britain, with responsibility for making sure that electricity supply and demand stay in balance and the system remains within safe technical and operating limits.

### **Non-half hourly Settlement (NHH)**

As part of the Settlement process, NHH Settlement is the arrangement for estimating how much energy a supplier's customer's use in each Settlement period based on Meter readings spanning longer intervals. These consumers are not settled using half-hourly consumption data.

### **Non-smart Market Segment**

The non-smart Market segment covers all the Meters that are not in the smart, Advanced or unmetered supplies Market Segments.

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## **Non-smart Meter**

A non-smart Meter is a Meter that is either not compliant with the Smart Metering Equipment Technical Specifications (SMETs) or one where only Register Readings can be collected due to Meter functionality or data privacy and data access policy. The latter category can include Meters with Advanced capability, e.g. ones that have been installed for customers in Profile Classes 3 and 4.

## **O**

## **Ofgem**

The Office of Gas and Electricity Markets (Ofgem) is responsible for protecting gas and electricity consumers in Great Britain. It is governed by the Gas and Electricity Markets Authority (GEMA).

## **P**

## **Processing Service (Smart) [PSS]**

The Processing Service (Smart) is responsible for obtaining and validating and estimating (where needed) raw meter readings (both Settlement Period and Register Reads) from smart and non-smart Meters.

## **Profile Class (PC)**

Consumers that are not settled using actual Meter readings for each Settlement period are grouped into one of eight Profile Classes. For each Profile Class, a load profile is created that estimates the consumption shape of the average consumer. This load profile (or variations of it) is used to determine the consumption in each half hour for all consumers assigned to the Profile Class. See also non-half hourly (NHH) Settlement.

## **R**

## **Registration Service**

The Registration Service is the LDSO service that holds Meter point standing data information about each MPAN within its distribution Region. Data includes the BRP (Supplier) the processing and metering services appointed to the MPAN. It also includes information on the type of customers, the Measurement Class, Energisation Status and Line Loss Factor Class.

## **Register Readings (RRs)**

Register Readings are the Meter readings obtained from a Settlement Meters tariff registers. This could be the cumulative register, daily consumption log data or daily readings. These readings may be taken remotely or via a site visit.

## **S**

## **Settlement Period (SP)**

The period over which contracted and metered volumes are reconciled. This is currently defined as a period of 30 minutes. See also Settlement process.

## **Settlement Period level data**

Settlement Period level data is consumption or export data that is the granularity of the Settlement Period this could be actual data obtained directly from the Meter or data derived from Register Readings or Unmetered Supplies that is processed to Settlement Period granularity.

## **Settlement Period Consumption level data**

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Settlement Period Consumption level data is consumption data that is the granularity of the Settlement Period this could be actual data obtained directly from the Meter or data derived from Register Readings or Unmetered Supplies that is processed to Settlement Period granularity.

## **Settlement process**

Settlement places incentives on generators and suppliers to contract efficiently to cover what they produce or their customers consume respectively. For suppliers, it operates by charging for any difference between the volumes of electricity that they buy and the volume that their customers consume.

## **Significant Code Review (SCR)**

The SCR process is designed to facilitate complex and significant changes to a range of industry codes. It provides a role for Ofgem to undertake a review of a code-based issue and play a leading role in facilitating code changes through the review process.

## **Smart Energy Code (SEC)**

The Smart Energy Code (SEC) is a multi-Party agreement, coming into force under the DCC Licence, which defines the rights and obligations of energy suppliers, network operators and other relevant parties involved in the end to end management of smart metering in Great Britain.

## **Smart Market Segments**

The Smart Market Segments are the Market Segment that covers smart Meters serviced by the DCC. These Segment covers smart Meters with Settlement Period level data available and those smart Meters where only Register Readings are available.

## **Smart Meter**

A smart Meter is a Meter which is compliant with the Smart Metering Equipment Technical Specifications (SMETS). In addition to traditional metering functionality (measuring and registering the amount of energy that passes through it), is capable of providing additional functionality (for example, recording consumption in each half hour of the day and of being remotely read) is known as a smart Meter.

## **Smart Meter Technical Specifications (SMETS)**

Smart Meter Technical Specifications (SMETS) are the specifications that set out the minimum technical requirements for smart Meters. The SMETS are governed by the SEC.

## **Static time-of-use tariff**

A time-of-use tariff that fixes in advance the peak and off-peak periods for electricity consumption and the prices applied at these times.

## **Supplier Volume Allocation (SVA) arrangements**

Within the BSC, the SVA arrangements provide the mechanism for determining the allocation of energy volumes to suppliers in each half hour of the day.

T

## **Target Operating Model (TOM)**

The Target Operating Model is the set of services and arrangements designed to deliver Market-wide Half-Hourly Settlement.

## **Time-of-use (ToU) tariffs**

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Energy tariffs that charge different prices at different times of the day, week, month or year are known as time-of-use tariffs. See also dynamic time-of-use tariff and static time-of-use tariff.

## **Transition Plan**

The Transition Plan is the plan that set out the approach for moving to the new TOM from the existing market arrangements.

## **U**

### **Unmetered Supplies**

Unmetered Supplies (UMS) means a supply of electricity to a particular inventory of equipment in respect of which a Licensed Distribution System Operator (LDSO) has issued an Unmetered Supply Certificate. For example, this equipment could be any electrical equipment that draws a current and is connected to the Distribution Network without a Meter, i.e. there is no Meter recording its energy consumption, e.g. street lights, traffic signs, zebra crossings, etc.

### **Unmetered Supplies Data Service (UMSDS)**

The Unmetered Supplies Data Service (UMSDS) is the service that calculates Settlement Period Level consumption data for unmetered supplies.

### **Unmetered Suppliers Market Segment**

The Unmetered Suppliers Market Segment is the Market Segment for Unmetered Supplies.

### **Unmetered Supplies Operator (UMSO)**

The Unmetered Supplies Operator (UMSO) is the service that interfaces with the Unmetered Supplies (UMS) customer and other industry stakeholders. The UMSO Service is provided by the Distribution Business.

## **V**

### **Volume Allocation Service (VAS)**

The Volume Allocation Service (VAS) is the service that processes Settlement Period level data provided by the Aggregation Service (AGS). The processed data is allocated to Balancing Mechanism Units (BMUs).

### **Volume Allocation Run (VAR)**

A Volume Allocation Run (VAR) is a scheduled Settlement run that allocated Supplier Metered volumes to BMUs for each GSP Group. The VAR ensures the BMU allocated energy is corrected such that the total volume matches the energy in the GSP Group Take for each Settlement Period.

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ACRONYMS USED IN THIS DOCUMENT ARE LISTED IN THE TABLE BELOW.

Acronyms used in this document are listed in the table below.

Glossary of Defined Terms	
Acronym	Definition
AE	Active Export
AI	Active Import
BMU	Balancing Mechanism Unit
BRP	Balancing Responsible Party
BSC	Balancing and Settlement Code
BST	British Summer Time
CLK	Clock Time
CoA	Change of Agent
CoMC	Change of Measurement Class ( <i>process</i> )
DAE	Daily Advance Estimate
DCC	Data and Communications Company
DLSC	Default Load Shape Coefficients
DSR	Demand Side Response
DUIS	DCC User Interface Specification
DWG	Design Working Group
EV	Electric Vehicle
HH	Half Hourly
GBCS	Great Britain Companion Specification
GUID	Globally Unique Identifier
NHH	Non Half Hourly
kWh	kilo-Watt hour
LDSO	Licenced Distribution System Operator
LLFs	Line Loss Factors
MHHS	Market-wide Half Hourly Settlement
MPAN	Metering Point Administration Number



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Glossary of Defined Terms	
Acronym	Definition
MRA	Master Registration Agreement
MSD	Market Standing Data
MTD	Meter Technical Details
MWh	Mega-Watt hour
PARMS	Performance Assurance Reporting and Monitoring System
P2P	Peer to Peer
RPU	Revenue Protection Unit
RR	Register Readings
SEC	Smart Energy Code
SD	Settlement Day
SMETS	Smart Metering Equipment Technical Specification
SP	Settlement Period
SVA	Supplier Volume Allocation
SVAA	Supplier Volume Allocation Agent ( <i>BSC Agent</i> )
TOM	Target Operating Model
ToU	Time-of-Use
UTC	Coordinated Universal Time
UMS	Unmetered Supplies