

ISG214/03 - LINE LOSS FACTOR AUDIT FINAL REPORT

MEETING NAME	ISG 214
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Date of meeting	19/02/2019
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Paper number	214/03
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Owner/author	Sarah Ross
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Purpose of paper	Decision
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Classification	Public
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Summary	<p>This paper reports the results of ELEXON's annual audit of Line Loss Factor (LLF) values for the 2019/20 BSC Year performed in accordance with BSCP128. We invite the Imbalance Settlement Group (ISG) to approve the Central Volume Allocation (CVA) LLF values for all of the Licensed Distribution System Operators (LDSOs). ELEXON will present the SVA LLF values to the Supplier Volume Allocation Group (SVG) for approval on 5 March 2019.</p>
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1. Introduction

- 1.1 [BSCP128 'Production, Submission, Audit and Approval of Line Loss Factors'](#) details a set of principles by which Licensed Distribution System Operators (LDSOs) must calculate their Line Loss Factors (LLFs). This requires ELEXON to conduct an annual audit on the calculation of the LLFs created using the approved methodology ahead of the implementation of new annual LLF values on 1 April 2019.
- 1.2 ELEXON performed the annual review of the LLF methodologies submitted by each LDSO in August 2018 (ISG208/05). All methodologies were found to be compliant.

2. Audit process changes for 2019/2020

- 2.1 There have been no changes to the LLF Audit process between audit years.
- 2.2 [CP1492 'Causes and treatment of large Line Loss Factors'](#) was implemented in February 2018 introducing a new principle. All Host LDSOs have updated their methodologies with Principle 17.

3. Host LDSO audit results for 2019/2020

- 3.1 For the 2019/2020 audit year, ELEXON performed site visit audits for all Host LDSOs. All were completed and the final audit reports were issued by 10 December 2018. All Host LDSOs achieved a final result of compliant.
- 3.2 Following methodology audit, ELEXON has audited the Supplier Volume Allocation (SVA) and Central Volume Allocation (CVA) LLF values in accordance with BSCP128. There are no outstanding non-compliances. We invite ISG to approve the CVA LLF values for use in Settlement for the 2019/2020 BSC Year.
- 3.3 Attachment A summarises the total number of non-compliances for all LDSOs found during audit process.
- 3.4 All Host LDSOs met all BSCP128 deadlines.
- 3.5 One out of six Host LDSOs had to resubmit their documentation to resolve the outstanding non-compliances.

4. Embedded LDSO audit results for 2019/2020

- 4.1 Eleven Embedded LDSOs were subject to the audit plus an embedded network owned by one of the Host LDSOs. All Embedded LDSOs chose to Mirror LLF Classes (LLFCs) of Host LDSOs; the LDSO-owned embedded Party chose a combination of Mirroring and Calculation.

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- 4.2 Nine out of thirteen Embedded LDSOs were found non-compliant and one was a late submission. Seven Embedded LDSOs with identified non-compliances resolved them with a single document re-submission. Two Embedded LDSO resubmitted twice.

5. Recommendations

- 5.1 We invite you to:
- a) **NOTE** that all CVA non-compliances have been resolved;
 - b) **APPROVE** the CVA LLFs for use in Settlement from 1 April 2019 – 31 March 2020; and
 - c) **NOTE** that we will seek the SVG's approval of the SVA LLFs at its meeting on 5 March 2019.

Attachments

Attachment A – LDSO LLF Audit Report Aggregated Summary

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