

MINUTES

MEETING NAME	Imbalance Settlement Group (ISG)
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Meeting number	227
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Date of meeting	Tuesday 3 March 2020
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Venue	ELEXON Office
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Classification	Public
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ATTENDEES AND APOLOGIES

Attendees	David Thomas	DaT	ISG Vice Chair
	Angus Fairbairn	AF	ISG Technical Secretary
	Aaron Seamer	AS	ISG Member
	Dennis Timmins	DeT	ISG Member
	Peter Berry	PB	ISG Member
	Phil Hewitt	PH	ISG Member (via Teleconference)
	Andrew Colley	AC	ISG Member (via Teleconference)

Apologies	Iain Nicoll	IN	ISG Chair
	Emma Burns	EB	ISG Member
	Lisa Waters	LW	Panel Sponsor

OPEN SESSION – INFORMATION PAPERS

1. Metering Dispensation D/500 – Gordonbush Extension Wind Farm – ISG227/01

1.1 SSE Generation Ltd has applied for a lifetime Metering Dispensation (D/500) from Code of Practice 1 (CoP1) for the Metering Equipment associated with the Gordonbush Extension wind farm. SSE Generation Ltd wish to install Metering Equipment for the Gordonbush Extension wind farm below the Defined Metering Point (and the Gordonbush wind farm Boundary Point Settlement Meters), and use CoP2 Metering Equipment to measure the flows for the Gordonbush Extension wind farm. We invite the ISG to approve Metering Dispensation D/500 on a lifetime basis.

1.2 The ISG:

a) **APPROVED** Metering Dispensation D/500 for the Gordonbush Extension wind farm on a lifetime basis.

2. Trading Unit Application – Hinkley Point B and C Power Stations – ISG227/02

2.1 EDF Energy Nuclear Generation Ltd has submitted a Trading Unit Application to comprise the BM Units associated with Hinkley Point B and C Power Stations within a Class 1 Trading Unit. ELEXON believe this does not meet the criteria for a Class 1 Trading Unit, but should be treated as a Class 6 Trading Unit instead. We invite the ISG to approve a Class 6 Trading Unit for the BM Units associated with the Hinkley Point B and Hinkley Point C Power Stations with an Effective From Date of 'on or after' 1 April 2020.

2.2 An ISG Member questioned if the tariffs and subsidies applied to Hinkley Point C will be affected by treating the BM Units as a Class 6 Trading Unit. ELEXON were unable to comment on the tariff and subsidy arrangements, but stated the Trading Unit would be revisited once operational station loads are taken for

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Hinkley Point C Power Station. ISG requested a condition be applied to revisit the Trading Unit when the operational station loads are taken.

2.3 The ISG:

- a) **DETERMINED** if the Trading Unit Application demonstrated (to the ISG's reasonable satisfaction) sufficient similarities with sites which would satisfy those conditions for a Class 1 Trading Unit such that it would be unreasonable to not treat the nominated BM Units as a single (Class 6) Trading Unit; and;
- b) **APPROVED** the Trading Unit Application from EDF Energy Nuclear Generation Ltd to form a Class 6 Trading Unit comprising the BM Units associated with the Hinkley Point B and Hinkley Point C Power Stations with an Effective From Date of 'on or after' 1 April 2020.
 - i) **CONDITION:** To revisit the Trading Unit once the operational station loads are taken for Hinkley Point C Power Station.

3. CP1524 'Improving the communication methods in the fault rectification process' – ISG227/03

- 3.1 CP1524 seeks to implement changes to the communication process used by parties involved in rectifying faults on Half Hourly Metering Equipment. This Change Proposal (CP) implements that recommendations of Issue 73 'Review of fault management and resolution timescales'.

The proposed change includes:

- the creation of a bespoke suite of communication flows to enable more effective communications relating to the resolution of faults on Metering Equipment;
- the creation of a Unique Fault Reference to enable faults to be identifiable and tracked throughout the lifetime; and
- the creation of fault categories to enable better reporting of faults.

- 3.2 The ISG noted that while the majority of consultation respondents agreed with the CP1524 solution, there was not unanimous support for the CP. ELEXON responded that the solution had been developed by industry participants through Issue 73, and that it had provided responses to concerns raised by consultation respondents in the CP Report.
- 3.3 An ISG Member commented on the implementation costs for the CP. ELEXON noted as the solution was a document only change under the BSC, costs to ELEXON were minimal. However, costs of implementing the new suite of data flows would be done under the Data Transfer Catalogue funding mechanism, and consultation respondents had identified costs for processing the new data flows may be tens of thousands of pounds. The ISG Member also questioned the costs of updating the Data Transfer Catalogue (DTC).
- 3.4 An ISG Member believed that that the problem with the existing fault rectification process was with Supplier 'housekeeping'. The Member suggested perhaps the issue should be tackled at source, with the Suppliers, rather than by changing the process and passing on the cost of improvement to consumers. ELEXON noted that many industry participants had confirmed through Issue 73 that the existing processes were not enabling the most effective rectification of faults on Metering Equipment.
- 3.5 ELEXON informed the ISG that the CP had been rejected by the Supplier Volume Allocation Group prior to the meeting, as the Committee did not believe the benefit of the CP solution would outweigh the implementation costs. Therefore, if the CP were to be approved by the ISG or the PAB, the BSC Panel would be responsible for the final approval decision. If all three committees rejected the CP, it would not be presented to the Panel and further work on ways to improve the communication methods in the fault rectification process would be needed.

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3.6 The ISG:

- a) **REJECTED** CP1524 for implementation on 24 June 2021 as part of the June 2021 BSC Release; and
- b) **NOTED** that CP1524:
 - i) was **REJECTED** by the SVG on 3 March 2020; and
 - ii) will be presented to the PAB on 26 March 2020.

4. Approval of the BSC Configurable Items amended for the April 2020 Standalone Release – ISG227/04

4.1 Several CVA BSC Configurable Items have been amended to give effect to two Approved Modifications in the April 2020 Standalone Release. The ISG is requested to approve the revised versions of the ISG-owned and jointly-owned CVA BSC Configurable Items.

4.2 The ISG:

- a) **NOTED** that the changes to BSC CIs have been issued for industry review, with the exception of the late changes to the NETA IDD Part 1 described in Section 3;
- b) **NOTED** that no responses were received to the industry review.
- c) **NOTED** the rationale for the late changes to the described in Section 3.
- d) **APPROVED** the ISG-owned and jointly owned BSC CIs listed in Section 2.1.
- e) **NOTED** that BSCP01 must also be approved by the Supplier Volume Allocation Group before it may be deemed to be approved.
- f) **NOTED** that, if so approved, all BSC CIs listed in Section 2.1 will become effective on 1 April 2020.

OPEN SESSION - TABLED ITEMS

5. BSC Operations Headline Report

5.1 The BSC Operations Headline Report provides an overview of the operations of the BSC for December and January.

5.2 An ISG Member suggested using more contrasting colours for charts in future.

5.3 The ISG:

- a) **NOTED** the report.

6. Change Report

6.1 This report presents a comprehensive monthly overview of the changes in the BSC Change Process.

6.2 The ISG:

- a) **NOTED** the report.

7. SPAR Report

7.1 The System Prices Analysis Report (SPAR) provides a monthly update on price calculations. It is published by the ELEXON Market Analysis Team on the ELEXON Website ahead of the monthly ISG meeting.

7.2 The ISG:

- a) **NOTED** the report.

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OTHER BUSINESS

8. Panel Update

- 8.1 As the Panel Sponsor was unable to attend this month's ISG, notes were sent to the ISG Vice -Chair to share with the committee.
- 8.2 ELEXON highlighted Modification [P397](#) 'Assessing the costs and benefits of adjusting Parties' Imbalances following a demand disconnection' was in danger of timing out in Ofgem. Ofgem later said it was planning to make a decision in time.
- 8.3 A Workgroup meeting had been held for Modification [P376](#) 'Utilising a Baselining Methodology to set Physical Notifications' in December to review RFI responses and the group were now finalising the business requirements to issue an impact assessment. Prior to issuing the assessment, they will hold another meeting next month; the group therefore requested and were granted another 4 month extension.
- 8.4 The withdrawal of the Proposer of Modification [P379](#) 'Multiple Suppliers through Meter Splitting' from the BSC will require the Modification to be adopted by another BSC Party. While a new proposer is sought, ELEXON requested a seven month extension. Ofgem were supportive of the Modification progressing, but the Panel were concerned how Ofgem were going to make a decision when it needed to make sure all the retail changes fit together. The Panel will consider an extension after an interim report is presented to the Panel next month.
- 8.5 Ofgem clarified the deadlines of [P392](#) 'Amending BSC Change Process for EBGL Article 18'. ELEXON requested a two month extension to allow the standard BSC mods process to be followed, and this was granted.
- 8.6 The Panel raised Modification [P401](#) 'Governance arrangements for BSC Panel Alternates'.
- 8.7 The Panel decided there was no legal basis for implementing [P382](#) 'Amendments to the BSC to reflect the United Kingdom's withdrawal from the European Union without a deal'. The Panel rejected the Modification and if necessary will raise a new Modification in the future.
- 8.8 Ofgem's Significant Code Review (SCR) letter set 31 March 2020 as the deadline for redlining documents associated with both Switching SCR and Retail Code Consolidation SCR. ELEXON stated a high level project plan had been devised to meet the deadline. Ofgem's request for alternate text, should the implementation of the SCRs be changed, was contested by ELEXON because of the deadline time pressure. The Panel agreed to draft a letter detailing the issues with aspects of the SCR plan to send to Ofgem.
- 8.9 ELEXON ceased payments to the Electricity Arbitration Association (EAA), and a Modification will be raised to remove them from the BSC.

9. Actions

- 9.1 The ISG noted the update on Actions.

10. Minutes from previous meeting

- 10.1 The ISG agreed the minutes from the previous meeting without comment.

11. Areas of Other Business

- 11.1 The ISG were informed the next Meeting will be chaired by an ELEXON staff member who was previously the ISG Vice-Chair, as both the Chair and Vice Chair send their apologies.