

# MINUTES

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<b>MEETING NAME</b>	Imbalance Settlement Group
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<b>Meeting number</b>	228
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<b>Date of meeting</b>	Tuesday 7 April 2020
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<b>Venue</b>	ELEXON Office
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<b>Classification</b>	Public
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## ATTENDEES AND APOLOGIES

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<b>Attendees</b>	Iain Nicoll	DaT	ISG Chair (via Teleconference)
	Angus Fairbairn	AF	ISG Technical Secretary (via Teleconference)
	Aaron Seamer	AS	ISG Member (via Teleconference)
	Dennis Timmins	DeT	ISG Member (via Teleconference)
	Peter Berry	PB	ISG Member (via Teleconference)
	Jamie Webb	JW	ISG Member (via Teleconference)
	Andrew Colley	AC	ISG Member (via Teleconference)
	Emma Burns	EB	ISG Member (via Teleconference)
	Lisa Waters	LW	Panel Sponsor (via Teleconference)

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<b>Apologies</b>	Phil Hewitt	PH	ISG Member
	Olaf Islei	OI	ISG Member

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## OPEN SESSION – DECISION PAPERS

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### 1. Metering Dispensation D/501 – Burnfoot East Wind Farm – ISG228/01

- 1.1 EDF Energy Customers Limited (EDF) has applied for a lifetime Metering Dispensation (D/501) from Code of Practice 2 (CoP2) for the Metering Equipment associated with Burnfoot East wind farm. EDF wish to install Metering Equipment for the Burnfoot East wind farm below the Defined Metering Point. We invite the ISG to approve Metering Dispensation D/501 on a lifetime basis.
- 1.2 An ISG Member commented the arrangement worked whilst both wind farms were owned by EDF, but, questioned how it would be affected if a wind farm was sold. ELEXON referenced a previous metering dispensation, in which a condition that voided the dispensation unless both owners agree to the arrangement.
- 1.3 An ISG Member confirmed the losses were low due to the thickness of the cable.
- 1.4 The ISG:
  - a) **APPROVED** Metering Dispensation D/501 for the Burnfoot East wind farm on a lifetime basis subject to the continued agreement between the Registrant of the Burnfoot East wind farm Metering System and the Registrant of the Rhodders wind farm Metering System regarding the attribution, to the Rhodders wind farm Metering System, of electrical losses caused by the Imports and Exports of the Burnfoot East wind farm over the Rhodders wind farms assets from/to the Defined Metering Point (HV side of the Rhodders wind farm generator transformers) to/from the Actual Metering Point of the Burnfoot East wind farm Metering System.

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## 2. CP1527 'Increase the minimum data storage capacity for Settlement Outstations and mandate specific selectable integration periods for CoPs 3, 5, and 10' – ISG228/02

- 2.1 CP1527 seeks to increase the minimum data storage requirements for Settlement Outstations within the metering Codes of Practice. This CP implements the recommendations of Issue 80 'Increase in minimum data storage requirements within the relevant Metering CoPs'.
- 2.2 The proposed change includes:
- Increase the minimum data storage capacity for Settlement Outstations to 250 days per channel, at 30 minutes integration periods, for CoPs 1, 2, 3, 5 and 10; and
  - Mandate specific, selectable, integration periods for CoPs 3, 5, and 10 and add a test for this requirement (and for CoPs 1 and 2) into BSCP601.
- 2.3 An ISG Member was concerned with the increase the minimum storage capacity for Settlement Outstations to 250 days as it may limit the number of outstations available to industry. The ISG Member was also concerned with creating an issue for meter manufacturers as current industry meters may not comply with these changes, especially where the Settlement Volume Allocation (SVA) requires a six channel set up. As a result, the ISG would like to investigate lower storage capacity thresholds.
- 2.4 The ISG noted that the impacts from COVID-19 should be considered in the implementation timelines.
- 2.5 The ISG:
- a) **DEFERRED** its decision on the proposed changes to BSCP601, CoP1, CoP2 and CoP3 for CP1527 subject to ELEXON carrying out a Cost Benefit Analysis on the number of days for data storage requirements, presenting options other than 250 days and considering the impact of Covid-19 on the implementation date;
  - b) **DEFERRED** its decision on the approval of CP1527 for implementation on 30 June 2022 as part of the June 2022 BSC Release; and
  - c) **NOTED** that decision on CP1527 was also deferred by SVG on 7 April 2020.

## 3. Review of the LoLP Calculation Statement and an update to the VoLL Review – ISG228/03

- 3.1 The BSC Panel delegated the responsibility to maintain and periodically review the Loss of Load Probability (LoLP) Calculation Statement to the Imbalance Settlement Group (ISG) in May 2018. Following discussions with National Grid Electricity System Operator (NG ESO), it is apparent that the current Statement does not clearly explain the Dynamic LoLP calculation that National Grid have implemented. This paper highlights errors in the current LoLP Calculation Statement, and also provides an update on Reserve Scarcity Price (RSVP) analysis given the dynamic LoLP was implemented over a year ago. ELEXON is requesting feedback from the ISG on the current methodology to determine the focus of a thorough review.
- 3.2 Multiple ISG Members stated the RSVP pricing mechanism was not displaying the intended signals in the Imbalance Price calculation. An ISG Member questioned the value in conducting a more in-depth review and suggested raising ISG thoughts at [BSC Panel Meeting 301](#) before approving further review of the RSVP pricing mechanism.
- 3.3 The ISG Members also noted the RSVP priced balancing actions have only set the Imbalance Price during two Settlement Periods since the implementation of Stage 2 of [BSC Modification P305 'Electricity Balancing Significant Code Review Developments'](#) on 1 November 2018.

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## 3.4 The ISG:

- a) **NOTED** the annual review of the VoLL;
- b) **NOTED** the RSVP set the Imbalance Price in Settlement Periods 37 and 38 on 4 March 2020, but that this is the only occurrence since P305 was implemented in November 2015;
- c) **REJECTED** a more in depth review of the LoLP Calculation Statement with NG ESO, to make sure it accurately describes the current LoLP calculation process;
- d) **REJECTED** including any housekeeping changes within the next versions of the LoLP Calculations Statement; and
- e) **RECOMMENDED** seeking the BSC Panel's view on not carrying out a more in depth review of the RSVP pricing mechanism; and
- f) **RECOMMENDED** to discuss with the Authority the inclusion of Non-BM STOR in the Imbalance Price calculation given the added complexity and cost this incurs.

## 4. CP1528 'CoP4 clarification of BSC Party responsibility for Commissioning of measurement transformers that the BSC Party adopts'– ISG228/04

4.1 This document is the Change Proposal (CP) Assessment Report for CP1528 which ELEXON will present to the ISG and SVG at their respective meetings on 7 April 2020. The ISG and SVG will consider the proposed solution and the responses received to the CP Consultation before making a decision on whether to approve CP1528.

4.2 CP1528 seeks to address issues in the Commissioning process where measurement transformers installed by a non-BSC Party are not owned by BSC Parties, hindering the end-to-end Commissioning process and threatening the integrity of Settlement. This CP implements the recommendations of Issue 72 'Ensuring measurement transformer assets installed by a Non-BSC Party are successfully Commissioned within BSC timescales'

The ISG:

- a) **APPROVED** the proposed changes to Code of Practice 4 for CP1528;
- b) **APPROVED** CP1528 for implementation on 20 November 2020 as part of the November 2020 BSC Release; and
- c) **NOTED** that CP1528 will be presented to the ISG and SVG on 7 April 2020 for decision.

## OPEN SESSION - TABLED ITEMS

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### 5. BSC Operations Headline Report

5.1 The BSC Operations Headline Report provides an overview of the operations of the BSC for February and March.

5.2 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.

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## 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.

## OTHER BUSINESS

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## 8. Metering Dispensation D/490 – Sellindge IFA – verbal update on condition

- 8.1 An update on the number of Settlement Periods below 100MW, expressed as a percentage of the total number of Settlement Periods in that rolling six month period, was provided.
- 8.2 The ISG:
  - a) **NOTED** the update.

## 9. Panel Update

- 9.1 The Supplier Volume Allocation Group (SVG) escalated an Un-Metered Supply (UMS) issue to Panel on larger sites being metered.
- 9.2 [BSC Modification P379 ‘Assessing the costs and benefits of adjusting Parties’ Imbalances following a demand disconnection’](#) received an extension of seven months to complete a Cost-Benefit Analysis of the Settlement Adjustment Process (SAP).
- 9.3 Two options were presented in [BSC Modification P392 ‘Amending BSC Change Process for EBGL Article 18’](#).
- 9.4 [BSC Modification P403 ‘BSC Arrangements in the event that the TERRE Market is suspended by National Grid ESO’](#) was suspended.
- 9.5 [BSC Modification P401 ‘Governance arrangements for BSC Panel Alternates’](#) and [Modification P400 ‘BSC Panel Modification Business via Video/Teleconference’](#) was approved.
- 9.6 Ofgem provided an update to the switching programme.

## 10. Actions

- 10.1 The ISG noted the update on Actions.

## 11. Minutes from previous meeting

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

## 12. Areas of Other Business

- 12.1 An ISG Member raised that there was an issue with getting compliance and protocol approval testing approved for meters by the CDCA. The process doesn't seem efficient and there aren't many meters that can be used in CVA market. The ISG Member provided an example of a new meter that protocol approval was expected to be completed by December 2018. The costs were also four or five times higher than the previous protocol approval paid for by the manufacturer. There is a broader issue with the process not being very clear, transparent with responsibilities defined, an overview of the current process could be outlined by ELEXON this should help a constructive discussion. ELEXON agreed to take an action and report back to ISG..