

MODIFICATION P350: APPROVAL OF ACTUAL LOAD PERIODS AND SAMPLE SETTLEMENT PERIODS FOR BSC YEAR 2024-25

Imbalance Settlement Group (ISG)

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Summary

This paper summarises the proposed methodology for setting Load Periods (LPs) and Sample Settlement Periods (SSPs) used in the derivation of this year’s Zonal Transmission Loss Factors, as required by Approved Modification P350 ‘Introduction of a seasonal Zonal Transmission Losses scheme’.

Elxon has consulted with the industry on using the proposed methodology. No responses were received that disagreed with using the existing methodology, and as such this has been used to calculate the actual LPs and SSPs.

We seek the approval of the ISG to use this methodology, and use the actual LPs and SSPs created (as shown in Attachment A).

1. Introduction

- 1.1 Modification [P350 ‘Introduction of a seasonal Zonal Transmission Losses scheme’](#) introduced a Transmission Loss Factor (TLF) for each TLF Zone and BSC Season¹ in April 2018. The TLF Zones are aligned with the existing Grid Supply Point (GSP) Groups so transmission losses can be allocated on a geographical basis.
- 1.2 The Balancing and Settlement Code (BSC) requires the Transmission Loss Factor Agent (TLFA) to calculate seasonal Zonal TLF values for each BSC Year (1 April to 31 March) in advance, using historical data from a Reference Year, running from 1 September to 31 August in the preceding BSC Year. [BSC Section T](#), Annex T2, paragraph 7 requires the BSC Panel to identify representative SSPs rather than using data for every Settlement Period in the Reference Year.
- 1.3 In order to do this, Elxon divide the Reference Year into a number of different LPs, each *“representing (in the opinion of the Panel) typically different levels of load on the AC Transmission System, defined by time of day, day of week, season and such other factors as the Panel considers relevant”*. The Panel must also specify a number of SSPs from each LP.
- 1.4 At its July 2017 meeting ([268/08 - P350 Methodology for Load Period and Sample Settlement Periods](#)), the BSC Panel agreed to delegate approval of LPs and SSPs to the Imbalance Settlement Group (ISG).
- 1.5 At its July 2019 meeting ([219/01 - P350 Methodology for Load Period and Sample Settlement Periods](#)), the ISG agreed to consult with industry on the LP and SSP methodology every two years going forward. As such, Elxon was required to consult with industry this year; the consultation opened on 10 July 2023 and closed on 21 July 2023.

¹ BSC Seasons are defined as follows: BSC Spring is 1 March to 31 May inclusive; BSC Summer is 1 June to 31 August inclusive; BSC Autumn is 1 September to 30 November inclusive; and BSC Winter is 1st December to 28th (or 29th, as the case may be) February inclusive.

- 1.6 These LPs and SSPs, when used to derive TLFs, will result in a representative annual average TLF for each Zone. Note the Reference Year will be divided into BSC Seasons. Each year, on or before 31 August, Elexon will notify the TLFA, the National Electricity Transmission System Operator (NETSO) and Central Data Collection Agent (CDCA) of the LPs and SSPs for the Reference Year, and publish them on the BSC website.

2. Methodology and Consultation Responses

- 2.1 Elexon proposed in the consultation with industry that the same methodology as previous years should be used:
- 2.1.1 Divide the BSC Year into Electricity Forward Agreement (EFA) Days (23.00 – 23.00), and group the EFA Days within each week into blocks of consecutive Working and blocks of consecutive Non-Working Days. This divides the BSC Year into circa 104 blocks of consecutive EFA Days, with each week having a block with five Working Days and a block with two non-Working Days (except where there are Bank Holidays).
- 2.1.2 Split each of these blocks into six time bands, corresponding to the six four-hour blocks within the EFA Day. Each time band, within each block of days, is a LP, so there will be circa 624 LPs within the Reference Year.
- 2.1.3 Randomly select SSPs from each LP. Randomly select one Settlement Period within EFA Block 1, one within EFA Block 2, but two Settlement Periods from each of the remaining EFA Blocks². This means the total number of SSPs in the Reference Year will be circa 1040.
- 2.1.4 The sample (1,040 Settlement Periods from 17,520) will be large enough to be statistically representative, and increasing it further would require a change to the TLFA contract.
- 2.2 No responses were received to the consultation. As such, the same methodology as previous years was used to create the actual LPs and SSPs for BSC Year 2024-25 (as shown in Attachment A).

3. Recommendations

- 3.1 We invite the ISG to:
- NOTE** that there were no industry responses to the LP/SSP methodology consultation this year, and that the next consultation will take place in 2025.
 - APPROVE** the proposed methodology, and the actual LPs and SSPs produced, to be used in the derivation of TLFs for BSC Year 2024/25.

Attachments

Attachment A – Actual LPs and SSPs created for BSC Year 2024-25

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² The variability in demand is less in EFA Band 1 and 2 compared to the values in Bands from 3 to 6.