

UPDATE ON THE IMPLEMENTATION OF THE RECOMMENDATIONS FROM THE REVIEW OF METERING DISPENSATIONS AND NON-STANDARD BM UNITS

MEETING NAME BSC Panel

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Owner/author Katie Wilkinson and Mike Smith

Purpose of paper Information

Classification Public

Summary This paper provides the Panel with an update on the actions that ELEXON has taken to implement the recommendations from the review of Metering Dispensations and non-standard BM Units. We propose to treat the remaining actions as 'business as usual' and therefore invite to Panel to note that we have now concluded the implementation of the recommendations from the Review of Metering Dispensations and non-standard BM Units.

1. Background

- 1.1 During the second half of 2016 and the start of 2017, ELEXON conducted a review of Metering Dispensations and non-standard Balancing Mechanism (BM) Units. This was requested by the Panel and conducted as a Balancing and Settlement Code (BSC) Review in accordance with [BSC Section C 'BSCCo and its Subsidiaries'](#), paragraph 3.8.
- 1.2 At its meeting on 9 March 2017 ([Panel 264/08](#)), ELEXON presented 15 recommendations arising from the review. The Panel endorsed these recommendations.
- 1.3 At its meeting on 14 December 2017 ([Panel 273/06](#)), ELEXON presented an update on the actions that ELEXON had taken to implement the review of Metering Dispensations and non-standard BM Units. At that meeting, ELEXON reported that actions had been taken to resolve 11 out of the 15 recommendations. Further, updates were provided at the Panel Meetings on 12 April 2018 ([Panel 277/07](#)), 12 July 2018 ([Panel 280/10](#)), 11 October 2018 ([Panel 283/06](#)), 10 January 2019 ([Panel 286/06](#)) and 11 April 2019 ([Panel 289/10](#)).
- 1.4 This paper provides the Panel with an update on the progress made towards implementing the final two outstanding recommendations.

2. Recommendation 7 (Completed):

- We recommend that all 'differencing arrangement' Grid Supply Points (GSPs) and related sites (Power Stations or Distribution Systems Connection Points (DSCPs)) are subject to a detailed review to determine:
 - the location of the Metering Systems involved and any material changes to the site(s) that affect the Metering Dispensation or differencing (this is where metered data for downstream Meters need to be subtracted from metered data from upstream Meters);
 - whether appropriate compensation is applied for electrical losses from the Actual Metering Point (AMP) to the Defined Metering Point (DMP) (where necessary or appropriate); and
 - whether any significant work is due to take place at that GSP such that Metering Equipment can be installed at the appropriate DMP(s) and the difference metering arrangement removed/modified so as to remove/reduce a potential ongoing risk to Settlement.

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- We will also promote awareness with the Licensed Distribution System Operators (LDSOs) (Registrants) and the Transmission System owners of the differencing arrangements in order to reduce the risks of detrimental effects by new connections on the differencing arrangements.
- 2.1 We initially identified 36 GSP sites with differencing arrangements.
- 2.2 Since some of the circuits/assets being referred to by the LDSOs' diagrams belong to National Grid Electricity Transmission (NGET), we submitted an application to create an account to access NGET's online diagram database (Live Link). In April 2019 we reported that we were struggling to obtain access to this database. We are pleased to report that we now have access to this database which has allowed us to complete the review.
- 2.3 We have obtained and reviewed 32 GSP sites and their associated Aggregation Rules and Meter Technical Details (MTDs). We did not need to review four sites as they no longer required Metering Dispensations.
- 2.4 We have found one material issue where a generator site connected at a GSP has unmetered low voltage (LV) supplies. We requested an estimate of the annual consumption from the Registrant and notified ELEXON's Trading Disputes team. The Registrant confirmed the annual consumption is approximately 20MWh. This equates to approximately 150MWh of unmetered supplies. Since only 20 months' worth of Settlement Error can be corrected in Settlement through a Trading Dispute this may not meet one of the criteria to be progressed (£3,000 or equivalent to 60MWh @£50/MWh). We have advised the Registrant to:
- either install compliant Metering Equipment to measure these LV supplies; or
 - seek a Metering Dispensation if this is not practicable (or financially viable); and
 - account for the volume of these LV supplies in Settlement.
- 2.5 We have also observed the following:
- One GSP is no longer registered in Settlement, however the Registrant needs to withdraw the associated Metering Dispensation;
 - Three GSPs now no longer have a differencing arrangement in place as the circuits differenced off the GSP metering have been de-registered in Settlement and the Metering Dispensations have been withdrawn;
 - One Metering Dispensation is not in place for differencing for a GSP¹;
 - 13 Metering Dispensations for GSPs need to be updated;
 - 11 Metering Dispensations need to be withdrawn to take into account circuits that have been removed²; and
 - Seven Metering Dispensations are still fully valid.
- 2.6 Of the GSP sites that still require difference metering (21³), 20 do not have any significant work planned for them that would allow for the difference metering arrangements to be removed. We are awaiting

¹ The circuits differenced off the GSP are disconnected but the associated Metering System and BM Unit for these circuits have not been deregistered yet. Future connections could be made at these connections meaning differencing may be required at a later date.

² The circuits differenced off the GSPs have now been removed.

³ Excludes the GSP that has no Metering Dispensation for differencing (that will soon no longer need differencing but may in the future if new connections are made).

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confirmation for the final site as to whether they have any significant work planned which would allow them to remove the differencing metering arrangements.

- 2.7 Following the review of Metering Dispensations at GSP sites there are a number of non-material actions outstanding that we propose to treat as business as usual activities. We will be therefore be writing to the relevant Registrants asking them to:
- submit new/updated Metering Dispensation applications;
 - withdraw Metering Dispensations that are no longer required;
 - update MTDs that refer to withdrawn Metering Dispensations; and
 - update out-of-date references in MTDs/Aggregation Rules to Metering Subsystem Ids (i.e. circuit names).
- 2.8 By undertaking Recommendation 7 we have promoted awareness with the LDSOs (Registrants of GSP metering) of the differencing arrangements at GSP sites, in order to reduce the risks of detrimental effects by new connections on the differencing arrangements. We will now provide a list of GSP sites with difference metering arrangements to Transmission System owners to make them aware.
- 2.9 This concludes Recommendation 7.

3. Recommendation 9 (Completed):

- ELEXON will review its records of Metering Dispensations with a view to:
 - completing and re-publishing records where there is missing information that is not confidential, e.g. Metering System Identifiers (MSIDs);
 - determining, with the support of Registrants, whether (elements or all of) previously confidential Metering Dispensations can now be made public (complete); and
 - determining, with the support of Registrants and targeted site visits by the Technical Assurance Agent (TAA) where necessary, whether historical, lifetime Metering Dispensations are now redundant, e.g. because the BSC requirements have evolved or the configuration and provision of Metering Equipment at a site has over time been upgraded and now complies with the BSC.
- 3.1 In January 2019, we reported that there were two out of 220 approved Metering Dispensations where we do not have the MSIDs. These are complex sites and the Registrants of the sites have provided multiple MSIDs to which the Metering Dispensations could relate.
- 3.2 We instructed the TAA to carry out a targeted Inspection Visit at these sites to determine if the Metering Dispensations were still valid and to which MSIDs they relate. The TAA carried out one of the inspection visits in the 2018-19 Audit year and determined that the Metering Dispensation is no longer required (site demolished). We have asked the Registrant to withdraw the Metering Dispensation. The other inspection visit was completed in the 2019-20 Audit year and the TAA identified the missing MSID and concluded the Metering Dispensation is still relevant to the Metering Equipment. We have updated our Metering Dispensation database with the missing MSID for this site.
- 3.3 We will publish the updated the non-confidential site specific Metering Dispensation statement to include all missing MSIDs.
- 3.4 We will also publish basic information for confidential Metering Dispensations where the Registrant has given us permission to do so.

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- 3.5 There are 220 approved Metering Dispensations requiring a site visit to review the Metering Equipment. It is planned that the TAA will conduct these reviews as sites come up in the TAA Audit Schedule.
- 3.6 This concludes Recommendation 9 and the Review of Metering Dispensations and non-standard BM Units.

4. Recommendations

4.1 We invite you to:

- a) **NOTE** the progress made towards the implementation of the recommendations from the review of Metering Dispensations and non-standard BM Units; and
- b) **NOTE** that we have now concluded the implementation of the recommendations from the Review of Metering Dispensations and non-standard BM Units.

For more information, please contact:

Katie Wilkinson, Settlement Analyst (Non-standard BM Units)

katie.wilkinson@elexon.co.uk

020 7380 4376

Mike Smith, Metering Analyst (Metering Dispensations)

mike.smith@elexon.co.uk

020 7380 4033