

HEADLINE REPORT

MEETING NAME	Imbalance Settlement Group
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Meeting number	221
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Date of meeting	Tuesday 17 September 2019
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Purpose of paper	Information
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Classification	Public
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Synopsis	This report sets out the headlines and key decisions of the most recent ISG meeting.
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OPEN SESSION - DECISION PAPERS

1. Market Index Definition Statement Review- ISG221/01

1.1 The Market Index Definition Statement (MIDS) defines the way the Market Index Price (MIP) is calculated. On behalf of the Panel, we review the MIDS annually, as required by the Balancing Settlement Code (BSC).

1.2 The ISG:

- a) **NOTED** the analysis presented in this paper;
- b) **APPROVED** the consultation questions provided in Attachment A of this paper, and suggested no additional questions; and
- c) **COMMENTED** on the analysis in this paper which we will present in our industry consultation.

2. Metering Dispensation D/497 – East Claydon GSP – ISG221/02

2.1 Southern Electric Power Distribution (SEPD) has applied for a temporary, three year, Metering Dispensation (D/497), from Code of Practice (CoP) 2. This is to use non-compliant capacitor voltage transformers (CVTs) on its two new Grid Supply Point circuits at the East Claydon 132kV substation. CoP2 requires the use of inductive voltage transformers (VT). SEPD proposes to replace the CVTs with compliant inductive VTs within three years. We invite the ISG to approve D/497 on a temporary, three year basis until 30 September 2022.

2.2 An ISG member requested that SEPD contact ELEXON at least one year prior to the expiry date of the approved Metering Dispensation and confirm the plans it has in place to replace the CVTs with inductive VTs. ELEXON will monitor the dispensation by checking that SEPD have provided an update one year before the end of the three year dispensation and the status of compliance six months before the end of the three year dispensation. This ensures work is completed before another dispensation is sought for the same site. This would avoid a request to extend the temporary Metering Dispensation, which has been happening with other temporary Metering Dispensation and highlighted by ISG.

2.3 Another ISG member requested that SEPD provide ELEXON with evidence to confirm that the guidance documentation used by its project teams has been updated to require inductive VTs for Settlement Metering Equipment to ensure that CVTs are not installed at other sites.

2.4 The ISG:

- a) **APPROVED** Metering Dispensation D/497 for East Claydon GSP (GSP_ECLA_H) on a temporary, three year basis until 30 September 2022 subject to the conditions in 2.2 and 2.3 being fulfilled.

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3. Generation Capacity And Demand Capacity Limits Review – ISG221/03

- 3.1 This paper sets out ELEXON's recommended changes to the current GC/DC limits, based on analysis from the four previously reported GC/DC KPI Reports.
- 3.2 The ISG:
- a) **AGREED** that the current 2MW limit for GC/DC declarations <100MW be reduced to 0.3MW, with effect from 1 December 2019;
 - b) **AGREED** that the current 2% limit for GC/DC declarations between 100-500MW be reduced to 1%, with effect from 1 December 2019;
 - c) **AGREED** that the current 10MW limit for GC/DC declarations >500MW be reduced to 5MW, with effect from 1 December 2019; and
 - d) **NOTED** that ELEXON will notify CRA and BSC Parties of the new values and their effective from date.

4. CP1519 'Treatment of Low Capacity Connections for Site Specific Line Loss Factor Calculations – ISG221/05

- 4.1 This document is the Change Proposal (CP) Assessment Report for CP1519, which ELEXON will present to the Imbalance Settlement Group (ISG) at its meeting on 17 September 2019 and the Supplier Volume Allocation Group (SVG) at its meeting on 8 October 2019. The ISG will consider the proposed solution and the responses received to the CP Consultation before making a decision on whether to approve CP1519.
- 4.2 The ISG:
- a) **AGREED** the amendments to the proposed redlining to BSCP128 made following CP Consultation;
 - b) **APPROVED** the proposed changes to BSCP128, BSCP128 Appendix One, BSCP128 Appendix Three and BSCP128 Appendix Ten for CP1519;
 - c) **APPROVED** CP1519 for implementation on 27 February 2020 as part of the February 2020 BSC Release; and
 - d) **NOTED** that CP1519 will also be presented to the SVG on 8 October 2019 for decision.

OPEN SESSION – INFORMATION PAPERS

5. Change Proposal CP1521 'BSCP70 amendments for Interconnector Administrator and Interconnector Error Administrator – ISG221/04

- 5.1 This document provides information on new CP1521 and outlines our proposed progression timetable for this change, including when it will be issued for CP Consultation in the next suitable Change Proposal Circular (CPC) batch.
- 5.2 The ISG:
- a) **NOTED** that CP1521 has been raised;
 - b) **NOTED** the proposed progression timetable for CP1521;
 - c) **PROVIDED** any comments or additional questions for inclusion in the CP Consultation; and
 - d) **NOTED** that CP1521 was presented to the SVG for information on 3 September 2019.

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OPEN SESSION – TABLED ITEMS

6. Changes we are making to our CP documents to help streamline the process

- 6.1 ELEXON updated the ISG on the new approach for the drafting of CPs. The updated process would present all committees with the same paper and comments from other committees delivered verbally. This would remove the need for new papers to be updated with comments from each committee involved.
- 6.2 Where necessary, ELEXON will include committee specific recommendations.
- 6.3 The ISG noted the new process and welcomed the streamlining of resources.

7. BSC Operations Headline Report

- 7.1 The BSC Operations Headline Report provides an overview of the operations of the BSC for July
- 7.2 The ISG:
 - a) **NOTED** the report.

8. Change Report

- 8.1 This report presents a comprehensive monthly overview of the changes in the BSC Change Process.
- 8.2 The ISG:
 - a) **NOTED** the report.

9. SPAR Report

- 9.1 The System Prices Analysis Report (SPAR) provides a monthly update on price calculations. It is published by the ELEXON Market Analysis Team to the Imbalance Settlement Group (ISG), and on the ELEXON Website ahead of the monthly ISG meeting.
- 9.2 The ISG
 - a) **NOTED** the report.