











BSC Modification Proposal Form		At what stage is this document in the process?
<h1>P425</h1> <h2>Mod Title: Amendment to the definition of Shared SVA Meter Arrangement</h2>		<div>01 Modification</div> <div>02 Workgroup Report</div> <div>03 Draft Modification Report</div> <div>04 Final Modification Report</div>
<p><b>Purpose of Modification:</b></p> <p>This Modification aims to remove the requirement for two or more Suppliers to be involved in a Shared Supplier Volume Allocation (SVA) Metering Arrangement as defined in Section K of the BSC. This would allow a single Supplier to make use of such an arrangement.</p>		
<p><b>Does this Modification impact any of the European Electricity Balancing Guideline (EBGL) Article 18 Terms and Conditions held within the BSC?</b></p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>		
	<p>The Proposer recommends that this Modification should:</p> <ul style="list-style-type: none"> <li>not be a Self-Governance Modification Proposal</li> <li>be assessed by a Workgroup and submitted into the Assessment Procedure</li> </ul> <p>This Modification will be presented by the Proposer to the BSC Panel on <b>14 October 2021</b>. The Panel will consider the Proposer's recommendation and determine how best to progress the Modification.</p>	
	<p>High Impact:</p> <p>None</p>	
	<p>Medium Impact:</p> <p>None</p>	
	<p>Low Impact:</p> <p>Suppliers, Half Hourly Meter Operators (HHMOAs), Half Hourly Data Collectors (HHDCs)</p>	

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Timetable		 Any questions? Contact: Jenny Sarsfield (Change Analyst)
The Proposer recommends the following timetable:		 jenny.sarsfield@elexon.co.uk
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# 1 Why Change?

## What is the issue?

Shared SVA Meter Arrangements provide a useful and meaningful way for certain customers to share both the responsibilities and benefits associated with a single network connection, predominantly in the Industrial & Commercial market segment. For example, two individual companies can agree to make an investment in a generation asset that has a single connection to a Distribution network on a shared investment basis.

The existing rules for Shared SVA Meter Arrangements contained within [BSC Section K 'Classification and Registration of Metering Systems and BM Units' 2.5](#), and in turn within [BSCP550 'Shared SVA Meter Arrangement of Half Hourly Import and Export Active Energy'](#), state that the arrangement must be between two or more Suppliers. This places a requirement for each end customer to procure different electricity Suppliers before a Shared SVA Metering Arrangement can be put in place. We believe that the current requirement acts as a barrier to competition because the Primary Supplier is prohibited from agreeing supply contracts with all customers involved in a Shared SVA Metering Arrangement.

Additionally, the requirement for two or more Suppliers can introduce unnecessary set-up issues for customers where the circumstances would be suited to a single Supplier facilitating the Shared SVA Metering Arrangement. Set-up of the arrangement involves the Primary Supplier registering the Meter Point Administration Number (MPAN) while the Secondary Supplier(s) separately register each pseudo MPAN. The Suppliers must also appoint the same Supplier Agents, and agree a volume allocation schedule prior to the arrangement taking effect. This requires each Supplier to form a working relationship and agree who is to act as the Primary Supplier and who is to act as Secondary Supplier(s).

It should be noted that Suppliers are currently able to work around the requirement for a Shared SVA Meter Arrangement to involve two or more Suppliers. One method for a single Supplier to replicate a Shared SVA Metering Arrangement is to use a billing only solution, where an algorithm can be used internally to split the consumption across multiple billing entities. This option also acts as a barrier to competition, as both customers would have to remain with the same Supplier for it to function. Another method is for the Supplier to use a different Supplier Market Participant Identifier (MPID) in order to act as the Secondary Supplier, and then following the necessary processes described through to conclusion.

We believe that the requirement for two or more Suppliers to be involved in a Shared SVA Metering Arrangement adds unnecessary complexity that cannot be justified. The need for two or more Suppliers to be involved neither improves the efficiency of the process nor reduces any associated risks to settlement when compared to a single Supplier facilitating a Shared SVA Metering Arrangement for two or more customers. Furthermore, the requirement acts as a barrier to competition by limiting the Supplier options for customers involved in a Shared SVA Metering Arrangement.

## Desired outcomes

The desired outcome is to allow one Supplier to act as both Primary and Secondary Supplier in a Shared SVA Meter Arrangement. This could be achieved by expanding the current Shared SVA Metering Arrangement definition in [BSC Section K 2.5](#) from stating that two or more Suppliers be involved in the arrangement to allowing one or more. This will continue to allow multiple Suppliers to enter into Shared SVA Metering Arrangements, while also simplifying and removing the process related complexities involved with a Single supplier managing such an arrangement. Allowing a single Supplier to manage a Shared SVA Metering Arrangement where required would better customer choice and experience both on initial set up and for the lifecycle duration of the arrangement.

## 2 Solution

### Proposed Solution

This Modification proposes to remove the requirement for a Shared SVA Metering Arrangement to involve two or more Suppliers, with the definition amended so that one or more Supplier may be involved. This would need to be updated within [BSC Section K 2.5](#) and [BSCP550](#). The definition would also have to be amended in [BSC Section X, Annex X-1 'General Glossary'](#).

### Benefits

This change will benefit customers and Suppliers that are interested in Shared SVA Metering Arrangements. It would permit a single Supplier to enter into Shared SVA Metering Arrangements, without the complexities of using multiple MPIDs, allowing for simpler commercial arrangements. This Modification would also create the possibility for a single Supplier to facilitate the arrangement for all customers involved where desired, better facilitating customer choice of Suppliers both on initial set up and for the lifecycle duration of the arrangement. This would remove a barrier to competition that currently exists within the industry.

### 3 Relevant Objectives

Impact of the Modification on the Relevant Objectives:	
Relevant Objective	Identified impact
a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence	Neutral
(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System	Neutral
(c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity	<b>Positive</b>
(d) Promoting efficiency in the implementation of the balancing and settlement arrangements	<b>Positive</b>
(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]	Neutral
(f) Implementing and administrating the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation	Neutral
(g) Compliance with the Transmission Losses Principle	Neutral

We believe that Applicable BSC Objective (c) will be better facilitated, as the changes proposed will enable customers involved in Shared SVA Metering Arrangements to approach all relevant Suppliers within the market for future supply contracts, including the primary Supplier, over the lifecycle of the Shared SVA Metering Arrangement. The current requirement acts as a barrier to competition because the Primary Supplier is prohibited from agreeing supply contracts with all customers involved in a Shared SVA Metering Arrangement. Removal of this barrier will promote effective competition in the supply of electricity.

In terms of Applicable BSC Objective (d), we believe that it will be better facilitated because this Modification aims to facilitate the option for a single Supplier to set up a Shared SVA Metering Arrangement for customers, reducing the need for communication between Suppliers. Leaving the current requirements in place would mean that each customer's chosen Supplier would have to work in a timely and co-ordinated manner to achieve the same outcome. This Modification therefore facilitates more efficient and simplified Shared SVA Metering Arrangements.

## 4 Potential Impacts

### Impacts on Core Industry Documents

Impacted Core Industry Documents			
<input type="checkbox"/> Ancillary Services Document	<input type="checkbox"/> Connection and Use of System Code	<input type="checkbox"/> Data Transfer Services Agreement	<input type="checkbox"/> Use of Interconnector Agreement
<input type="checkbox"/> Retail Energy Code	<input type="checkbox"/> Transmission License	<input type="checkbox"/> System Operator Transmission Owner Code	<input type="checkbox"/> Supplemental Agreements
<input type="checkbox"/> Distribution Code	<input type="checkbox"/> Grid Code	<input type="checkbox"/> Other (please specify)	

No impact on Core Industry Documents identified.

### Impacts on BSC Systems

Impacted Systems				
<input type="checkbox"/> CRA	<input type="checkbox"/> CDCA	<input type="checkbox"/> PARMS	<input type="checkbox"/> SAA	<input type="checkbox"/> BMRS
<input type="checkbox"/> EAC/AA	<input type="checkbox"/> FAA	<input type="checkbox"/> TAAMT	<input type="checkbox"/> NHHDA	<input type="checkbox"/> SVAA
<input type="checkbox"/> ECVA	<input type="checkbox"/> ECVA Web Service	<input type="checkbox"/> ELEXON Portal	<input type="checkbox"/> Other (please specify)	

No impact on BSC Systems identified.

### Impacts on BSC Parties

Impacted Parties			
<input checked="" type="checkbox"/> Supplier	<input type="checkbox"/> Interconnector User	<input type="checkbox"/> Non Physical Trader	<input type="checkbox"/> Generator
<input type="checkbox"/> Licensed Distribution System Operator	<input type="checkbox"/> National Electricity Transmission System Operator	<input type="checkbox"/> Virtual Lead Party	<input type="checkbox"/> Other (Please specify)

Suppliers will be able to enter into Shared SVA Meter Arrangements without the need for a separate Secondary Supplier, or the use of multiple MPIDs. There would be no system changes necessitated by this Modification, as no Supplier is required to offer Shared SVA Meter Arrangements, and the processes would be the same as those utilised for multiple Supplier arrangements.

## Impacts on consumers and the environment

Impact of the Modification on consumer benefit areas:	
Consumer benefit area	Identified impact
Improved safety and reliability	Neutral
Lower bills than would otherwise be the case	Neutral
Reduced environmental damage	Neutral
Improved quality of service  Through enabling a single Supplier to set up a Shared SVA Metering Arrangement the customers would not need to contract with multiple suppliers if their circumstances are better suited to utilising a single Supplier, avoiding the associated co-ordination issues.	Positive
Benefits for society as a whole	Neutral

## Legal Text Changes

This Modification proposes to amend the definition of a Shared SVA Meter Agreement in [BSC Section K 'Classification and Registration of Metering Systems and BM Units'](#) 2.5, in [BSC Section X, Annex X-1 'General Glossary'](#), and in [BSCP550 'Shared SVA Meter Arrangement of Half Hourly Import and Export Active Energy'](#).

## 5 Governance

### Self-Governance

<input checked="" type="checkbox"/> <b>Not Self-Governance</b> – A Modification that, if implemented:	
<input type="checkbox"/> materially impacts the Code's governance or modification procedures	<input type="checkbox"/> materially impacts sustainable development, safety or security of supply, or management of market or network emergencies
<input checked="" type="checkbox"/> materially impacts competition	<input type="checkbox"/> materially impacts existing or future electricity consumers
<input type="checkbox"/> materially impacts the operation of national electricity Transmission System	<input type="checkbox"/> is likely to discriminate between different classes of Parties
<input type="checkbox"/> involves any amendments to the EBGL Article 18 Terms and Conditions related to Balancing; except to the extent required to correct an error or as a result of a factual change	
<input type="checkbox"/> <b>Self-Governance</b> – A Modification that, if implemented:	
Does not materially impact on any of the Self-Governance criteria provided above	

This should not be progressed under Self-Governance as it will materially alter the commercial arrangements that Suppliers are currently required to put in place for SVA Shared Metering Arrangements, better facilitating completion, for the reasons provided against Applicable BSC Objective (c).

### Progression route

<input checked="" type="checkbox"/> <b>Submit to assessment by a Workgroup</b> – A Modification Proposal which:	
does not meet any criteria to progress via any other route.	
<input type="checkbox"/> <b>Direct to Report Phase</b> – A Modification Proposal whose solution is typically:	
<input type="checkbox"/> of a minor or inconsequential nature	<input type="checkbox"/> deemed self-evident
<input type="checkbox"/> <b>Fast Track Self-Governance</b> – A Modification Proposal which meets the Self-Governance Criteria and:	
is required to correct an error in the Code as a result of a factual change including but not limited to:	
<input type="checkbox"/> updating names or addresses listed in the Code	<input type="checkbox"/> correcting minor typographical errors
<input type="checkbox"/> correcting formatting and consistency errors, such as paragraph numbering	<input type="checkbox"/> updating out of date references to other documents or paragraphs
<input type="checkbox"/> <b>Urgent</b> – A Modification Proposal which is linked to an imminent issue or current issue that if not urgently addressed may cause:	
<input type="checkbox"/> a significant commercial impact on Parties, Consumers or stakeholder(s)	<input type="checkbox"/> a Party to be in breach of any relevant legal requirements.
<input type="checkbox"/> a significant impact on the safety and security of the electricity and/or gas systems	



## **Does this Modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?**

No impacts on any active SCR have been identified by the Proposer.

## **Does this Modification impact any of the EBGL Article 18 Terms and Conditions held within the BSC?**

This Modification will not impact the EBGL Article 18 terms and conditions as [BSC Section K 2.5](#) is not specified in the mapping given in [Section F Annex F-2](#). It is not anticipated to extend the terms or conditions either.

## **Implementation approach**

We believe that this Modification is a Code document only change to the BSC and therefore propose implementation can be facilitated on a special release, +5WD after the final Authority decision is made. There are no mandatory system impacts as a result of this Modification, and it should be implemented at the earliest possible opportunity so that the commercial benefits can be realised. This should be validated with the Workgroup and via the Assessment Procedure impact assessment processes.