

# MINUTES

---

<b>MEETING NAME</b>	Supplier Volume Allocation Group
---------------------	----------------------------------

---

<b>Meeting number</b>	215
-----------------------	-----

<b>Date of meeting</b>	8 January 2019
------------------------	----------------

<b>Venue</b>	ELEXON Ltd
--------------	------------

<b>Classification</b>	Public
-----------------------	--------

---

## ATTENDEES AND APOLOGIES

---

<b>Attendees</b>	Matthew McKeon	SVG Chairman
	Thomas Demetriades	Technical Secretary
	Jonathan Priestley	Industry Member
	Phil Russell	Industry Member
	Derek Weaving	Industry Alternate, attendee
	Paul Hart	Distribution System Operators Member
	Ian Hall	Industry Member (by teleconference / webinar)
	Gareth Evans	Industry Member (by teleconference / webinar)
	Richard Vernon	Industry Member (by teleconference / webinar)
	Jon Liddell	Industry Member (by teleconference / webinar)
	Richard Dakin	Industry Alternate, attendee (by teleconference / webinar)
	Andy Bard	MRASCo, attendee
	James Evans	Industry Member (by teleconference / webinar)
	Sarah Ross	ELEXON (part-meeting)
	John Lucas	ELEXON (part-meeting)
	Colin Berry	ELEXON (part-meeting)
	Steven Bradford	ELEXON (part-meeting)
	Elliott Harper	ELEXON (part-meeting)
	Danielle Pettitt	ELEXON (part-meeting)
	Jon Spence	ELEXON (part-meeting)
	Kevin Spencer	ELEXON
<b>Apologies</b>	Peter Stanley	Executive Sponsor
	Tom Edwards	Panel Sponsor
	David Jackson	Industry Member

---

## COMMITTEE RECOMMENDATIONS TO THE PANEL

---

1. There were no recommendations to the Panel.

## OPEN SESSION – DECISION PAPERS

---

2. **MDD Change Requests for Version 277– SVG215/01**

# MINUTES

---

- 2.1 This paper invited the Supplier Volume Allocation Group (SVG) to approve eight General Change Requests, and note 15 Fast Track Change Requests, for implementation in Version 277 of Market Domain Data (MDD) with a go-live date of 23 January 2019.
- 2.1 ELEXON reminded SVG Members of ELEXON's concerns expressed in an email on 11 December following SVG 214 about requests for Standard Settlement Configurations (SSCs) for electric vehicle (EV) charging.
- 2.2 ELEXON informed SVG that two sets of comments had been received on the issues raised. The first set of comments were from British Gas (in italics below):
- The EV will switch dynamically and not through the Meter. This mean there is no time of use information like we would have under the teleswitching arrangements, where feedback is provided on actual switching times.  
*"As I understand it the Supplier in question is not intending to switch any load dynamically. This would be no different to offering an off peak tariff to the consumer where the consumer chooses whether or not to take advantage of the cheaper night rate."*
  - The profile used will not be reflective of EV charging and will allocate energy to days when no EV charging has taken place.  
*"This is a similar problem that exists for many other Profile Class (PC) 1 SSCs where customers are in control of when additional load is taken from the system."*
  - Distributors are unlikely to be happy with such an arrangement as there are no defined operating windows as are set for teleswitching, especially in load-managed areas.  
*"The Supplier has provided additional information where requested and has received no objections to setting up the SSC."*
  - There is a general lack of visibility and the dynamic nature is likely to impact GSP group corrections, which will the affect all Suppliers within a GSP Group.  
*"There is no dynamic switching taking place for customers on this SSC."*
  - The tariff will require a smart Meter which will be Half Hourly (HH) capable, and there are elective processes in place which could be used (the arrangements require the HH data to be passed to an HH Data Collector for processing).  
*"I agree that HH elective settlement would be a more accurate way of entering data into settlement. However this is currently an elective regime and Ofgem are yet to determine if and when mandatory HH settlement should commence."*
  - There is the potential for many thousands of premises to use this SSC in the future.  
*"Actual energy usage will be recorded for the Time Pattern Regimes (TPRs) included in the request however the proportion of energy used each HH may be incorrectly allocated under the profile."*
  - The proposed approach will settle the customers under PC 1, which does not support or model switched loads of the size suggested.  
*"The Supplier has followed the rules as set out in BSCP516 and therefore it would be inappropriate to use PC 2 as it does not meet the switched load definition."*
  - The Target Operating Model (TOM) for Market-wide HH Settlement will remove SSCs and these customers will need to be accommodated in the future market model.  
*"I agree that SSCs will be removed at some point in the future, however under the current NHH arrangements Suppliers have the ability to request new SSCs."*

# MINUTES

---

- There are issues in defining the appropriate Estimated Annual Consumption and Annual Fraction of Yearly Consumption values to be used, increasing the profiling inaccuracy.

*"This is always an issue for any new SSC requested however as actual readings are submitted these will get corrected over time."*

- 2.3 The SVG Distributor representative then presented his comments (which were the second set received), stressing that he was not aware that all Licenced Distribution System Operators (LDSOs) had agreed to SSCs for domestic EV charging. There are also concerns that these SSCs were not disclosed as relating to EV charging. He did not feel that network charging would be an issue, as they would be domestic single rate and therefore charged per unit. In the event of a real take up of EVs then half hourly metered arrangements would need to be considered. Some Suppliers had recently approached LDSOs for three-rate tariffs but it was not clear that these were for EVs, and as yet no feedback has been received from other LDSOs.
- 2.4 Another SVG Member has asked whether one Supplier's (Bulb) proposal to use identical tariffs is valid and also asked what will be the switching times with this three-rate tariff. An SVG Member advised that it is essentially peak evening and weekend times, and the switching times were shown in the MDD paper.
- 2.5 An SVG Member raised the likely scenario of having secondary Meter Point Administration Number (MPAN) for EV charging purposes – an example given was where EV users would need to charge an EV provided by their employer from their home supply. The same SVG Member stressed that a policy could be implemented for EV charging from specific charging points. ELEXON discussed the idea of having a secondary MPAN for the EV settled using the elective half hourly process, but noting that the elective arrangements can be more costly.
- 2.6 ELEXON noted that granting new SSCs would help remove load from System peak and help identify where residential EV charging was occurring. The SVG also noted that [SECMP0046](#) 'Allow DNOs to control Electric Vehicle chargers connected to Smart Meter infrastructure' would also mitigate risk around the SSCs.
- 2.7 The SVG:
- a) **APPROVED** the eight General Change Requests for implementation in MDD 277 with a go-live date of 23 January 2019;
  - b) **NOTED** the 15 Fast Track Change Requests for implementation in MDD 277 with a go-live date of 23 January 2019 and
  - c) **APPROVED** the proposed Line Loss Factor Classes (LLFCs) for four Licensed Distribution System Operators (LDSOs) for use in Settlement from 23 January 2019.

### 3. Approach to agreeing whether SVA Metering Systems should be treated as recording volumes of exempt supply – SVG215/02

- 3.1 The BSC Panel, at its [meeting 284](#), agreed to delegate to SVG the power to agree which Supplier Volume Allocation (SVA) Metering Systems should be treated for purposes of BSC Reporting, and specifically the provision of charging data to Electricity Market Reform Settlement (EMRS) as recording volumes of exempt supply. In this paper, ELEXON has proposed an approach to receiving and agreeing applications to SVG for exempt supply volumes to be excluded from the gross demand data reported to EMRS in accordance with Section V of the BSC. ELEXON invited the SVG to agree the requested approach.
- 3.2 The SVG Chairman asked whether the Sandbox process could be applied to this type of exemption. ELEXON suggested that parties could choose to apply through the Sandbox, but it is not ideally suited to this kind of exemption and the proposed case-by-case approach would be more suitable.
- 3.3 An SVG Member asked whether any decision made by SVG would be permanent provided this approach has been agreed upon. ELEXON informed that this should be within the powers of this committee to decide and

# MINUTES

---

suggested the agreement not being permanent but last up to 1 or 2 years. ELEXON also noted that it is not aware of the magnitude of the exempt volumes but it is expecting those to be small. It also highlighted that it will help interested parties with their applications; this will allow ELEXON to explore additional ways to meet the criteria of recording exempt supplies.

3.4 Another SVG Member asked whether the SVG decision could be challenged. ELEXON informed that SVG decisions have to be made unanimously, but once made there is no right to appeal to the Panel (see paragraph 6.1.1 of the [SVG Terms of Reference](#)).

3.5 The SVG:

- a) **NOTED** that the BSC Panel has delegated to SVG the power to agree that SVA Metering Systems should be treated (for purposes of the BSC, and specifically the provision of charging data to EMRS) as recording volumes of exempt supply;
- b) **AGREED** that SVA Metering Systems should be so treated only if the exempt supplier or licensed supplier has provided credible evidence that, under normal circumstances, all metered data recorded on the Metering System is supplied under a supply licence exemption;
- c) **AGREED** that – at this stage – a pro forma for applications is not required, and that ELEXON should support applicants in submitting evidence to SVG in the form of a paper with appropriate attachments; and
- d) **NOTED** that ELEXON must report back to the BSC Panel on the level of up-take and learning achieved by August 2019.

## 4. Approval of BSCP15 for February 2019 Release – SVG215/03

4.1 ELEXON presented the version of Balancing and Settlement Code Procedure ([BSCP](#)) 15 'BM Unit Registration' which had been amended for [P359 'Mechanised process for GC/DC declarations'](#). P359 will be implemented as part of the February 2019 Release and this paper set out the process for BSCP15 development and review, and invited the SVG to approve it to become effective on 28 February 2019.

4.2 The SVG:

- a) **NOTED** the process for the development, review and approval of the changes to BSCP15 for P359;
- b) **APPROVED** the changes to BSCP15 for P359 to become effective on 28 February 2019; and
- c) **NOTED** that BSCP15 was approved by the ISG.

## OPEN SESSION – INFORMATION PAPERS<sup>1</sup>

---

### 5. CP1514 'Number of register digits for smart Meters' – SVG215/04

5.1 ELEXON invited the SVG to discuss [CP1514](#) before it is issued for consultation.

5.2 ELEXON informed the SVG Members that this change has been progressed through Master Registration Agreement (MRA) processes and has been approved accordingly.

---

<sup>1</sup> A verbal update was given to the SVG Members before proceeding to information papers CP1514 and CP1515. Please see note 7 of the Open Session - Updates items.

# MINUTES

---

## 5.3 The SVG:

- a) **NOTED** that CP1514 has been raised;
- b) **NOTED** the proposed progression timetable for CP1514; and
- c) **PROVIDED** no further comments or additional questions for inclusion in the CP Consultation.

## 6. Overview of CP1515 'Meter Operator Agents to send Metering System Data to SMRS instead of ECOES for the Faster Switching Programme'

6.1 ELEXON has provided an overview of [CP1515](#) and invited the SVG to discuss this CP before it is issued for consultation.

## 6.2 The SVG:

- a) **NOTED** that CP1515 has been raised;
- b) **NOTED** the proposed progression timetable for CP1515; and
- c) **PROVIDED** no further comments or additional questions for inclusion in the CP Consultation.

## OPEN SESSION – UPDATES

---

### 7. Change papers for SVG216 meeting – Verbal

7.1 ELEXON provided a verbal update about upcoming change papers for decision by SVG Members at the next SVG meeting on 5 February 2019.

7.2 The update concerned Change Proposals (CP) 1514 and CP1515 due to be published for consultation on 8 January 2019, alongside [CP1513](#). Consultation responses for all three CPs are due by 1 February 2019 as outlined in the Change Proposal consultation timetable. However, this means that the Assessment Reports will not be submitted to SVG members on the SVG paper day of 28 January 2019. To ensure that these changes are progressed in a manner that enables the approval at the earliest opportunity for market participants' process/system developments, ELEXON noted that it intends to present all three to the SVG for decision on 5 February 2019. ELEXON noted that most of the material of the Assessment Report is published as part of the CP consultation paper, and in absence of the SVG members having foresight of the consultation responses, it will present a thorough overview to the SVG on 5 February 2019, as this will give SVG Members the opportunity to make appropriate decisions in light of all available information.

7.3 An SVG Member asked whether these change papers will reflect all consultation responses in time for the next SVG meeting (216) in February 2019. ELEXON clarified that the Assessment reports provided to the SVG for decision will reflect all consultation responses as per the usual process, but as these reports won't be available until the day before the SVG meeting, the CP presentations will go into more detail of the consultation responses.

## 7.4 The SVG:

- a) **NOTED** the update.

### 8. Design Working Group (DWG)

8.1 ELEXON provided a verbal update from the Design Working Group (DWG):

8.2 ELEXON reminded the SVG of the presentation at [SVG214](#) which presented the DWG preferred Target Operating Model (TOM) for Market-wide Half Hourly Settlement (MWHHS).

# MINUTES

---

- 8.3 ELEXON noted that no further DWG meetings have taken place since the last SVG (214).
- 8.4 ELEXON informed the SVG that the draft report to Ofgem had been sent to the DWG for review and that changes would be discussed at the next DWG meeting on 15 January 2019. The finalised report would then be provided to Ofgem by the end of the month. There will be a consultation of the DWG preferred TOM in February/ March.
- 8.5 ELEXON highlighted that a Stakeholder event on MWHHS would be held on the 6 February to prepare the industry for the consultation. It was noted that ELEXON were going to present an update to both the BSC and SEC Panels later in the week and would also present to other Code bodies and committees in due course.
- 8.6 An SVG Member asked what will be the plan for discussing this transition. ELEXON informed that while the industry consultation is happening it will internally develop the transitional approach and bring it to the DWG for further development. There will then be a consultation on the approach later in the year.
- 8.7 The SVG:
- a) **NOTED** the update.

## OPEN SESSION – TABLED ITEMS

---

### 9. Headlines of BSC Panel Meeting 285

- 9.1 The SVG Chairman presented the headlines of the BSC Panel [meeting 285](#) held on 13 December 2018.
- 9.2 The SVG Chairman highlighted three Modifications, which will be progressed to the Assessment Procedure:
- P374 'Aligning the BSC with the EB GL change process and derogation approach';
  - P376 'Utilising a Baselining Methodology to set Physical Notifications for Settlement of Applicable Balancing Services'; and
  - P375 'Settlement of Secondary BM Units using metering at the asset'
- 9.3 The SVG Chairman also noted that the BSC Panel had approved Modification P370 'Allow the Panel to designate non-BSC Parties to raise Modifications' (Alternative Modification) for implementation on:
- i. 29 March 2019 if the Authority's decision is received on or before 22 March 2019; or
  - ii. Five Working Days after the Authority's decision if the decision is received after 22 March 2019.
- 9.4 The Chairman also noted that Modification P379 'Multiple Suppliers through Meter Splitting' was presented to the BSC Panel at its meeting on 10 January 2019 and will also be progressed to the Assessment Procedure.
- 9.5 The SVG:
- a) **NOTED** the report.

### 10. BSC Operations Headline Report

- 10.1 The SVG:
- a) **NOTED** the report.

# MINUTES

---

## 11. Change Report

- 11.1 The SVG:
- a) **NOTED** the report.

## OPEN SESSION – OTHER BUSINESS

---

## 12. Actions

- 12.1 There were no open actions.

## 13. Minutes from previous meeting

- 13.1 The SVG agreed the minutes from the previous meeting without comment.

## 14. Matters arising

- 14.1 There were no other items of business raised.

## 15. Next meeting

- 15.1 The next SVG meeting will be held on 5 February 2019 at 10:00.