

SVG229/09 - LINE LOSS FACTOR AUDIT FINAL REPORT

MEETING NAME	Supplier Volume Allocation Group
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Date of meeting	3 March 2020
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Paper number	SVG229/09
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Owner/author	Sedef Kiris
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Purpose of paper	Decision
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Classification	Public
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Summary	This paper reports the results of ELEXON's annual audit of Line Loss Factor (LLF) values for the 2020/2021 BSC Year performed in accordance with BSCP128. We invite the Supplier Volume Allocation Group (SVG) to approve the Supplier Volume Allocation (SVA) LLF values for all of the Licensed Distribution System Operators (LDSOs).
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1. Introduction

- 1.1 [BSCP128 'Production, Submission, Audit and Approval of Line Loss Factors'](#) details a set of principles by which Licensed Distribution System Operators (LDSOs) must calculate their Line Loss Factors (LLFs). This requires ELEXON to conduct an annual audit on the calculation of the LLFs created using the approved methodology ahead of the implementation of new annual LLF values on 1 April 2020.
- 1.2 ELEXON performed the annual review of the LLF methodologies submitted by each LDSO in September 2019 (SVG223). All methodologies were found to be compliant although some minor amendments to the wording have been done.

2. Audit process changes for 2020/2021

- 2.1 There have been no changes to the LLF Audit process between audit years.

3. Host LDSO audit results for 2020/2021

- 3.1 For the 2020/2021 audit year, ELEXON performed site visit audits for all Host LDSOs. All were completed and the final audit reports were issued by 10 December 2019. All Host LDSOs achieved a final result of compliant.
- 3.2 Following the methodology audit, ELEXON audited the Supplier Volume Allocation (SVA) and Central Volume Allocation (CVA) LLF values in accordance with BSCP128. There are no outstanding non-compliances.
- 3.3 Attachment A summarises the total number of non-compliances for all LDSOs found during audit process.
- 3.4 All Host LDSOs met all BSCP128 deadlines.
- 3.5 One out of six Host LDSOs had to resubmit their documentation to resolve the outstanding non-compliances.
- 3.6 Four out of six Host LDSOs had to revise their documents to rectify typographical errors as well as incorrect entries.

4. Embedded LDSO audit results for 2020/2021

- 4.1 Twelve Embedded LDSOs, plus one embedded network owned by one of the Host LDSOs, were subject to the audit. All Embedded LDSOs chose to mirror LLF Classes (LLFCs) of Host LDSOs; the LDSO-owned embedded Party chose a combination of mirroring and calculation.
- 4.2 Nine out of 15 Embedded LDSOs were initially found non-compliant and one Embedded LDSO's submission was received late. Six out of the Nine Embedded LDSO submitted the revised documents multiple times in order to rectify the issues. All of the non-compliances were resolved.

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4.3 ELEXON will conduct an internal lessons learnt session within April.

5. Recommendations

5.1 We invite you to:

- a) **NOTE** that all SVA non-compliances have been resolved;
- b) **APPROVE** the SVA LLFs for use in Settlement from 1 April 2020 to 31 March 2021; and
- c) **NOTE** that we will seek the ISG's approval of the CVA LLFs at its meeting on 03 March 2020.

Attachments

Attachment A – LDSO LLF Audit Report Aggregated Summary

Attachment B – (Confidential) LDSO LLF Audit Report Aggregated Summary

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