OVER 100KW UNMETERED SUPPLIES

MEETING NAME BSC Panel

Date of meeting 12 March 2020

Paper number 300/12

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Purpose of paper Decision

Classification Public

Summary A paper regarding 'Over 100 kW Unmetered Supplies' was presented to the SVG

at its February meeting. The SVG must reach a unanimous verdict on any decision, and was unable to do so. The paper was therefore deferred to the March meeting, where it was still not possible to reach a unanimous decision.

The SVG Chair then referred the paper to the BSC Panel.

1. Background

- 1.1 The BSC includes a requirement that all 100kW Metering Systems are traded on a Half Hourly (HH) basis.
- 1.2 A recent review, triggered by the work towards <u>Market-wide Half Hourly Settlement (MHHS)</u>, has identified that the definition of 100 kilowatt (kW) Metering Systems also includes Unmetered Supplies where the Licensed Distribution System Operator (LDSO) has agreed that the maximum demand is greater than 100kW. Therefore, these Metering Systems should be settled on a HH basis by Suppliers.
- 1.1 The Unmetered Supplies Users Group (UMSUG) discussed the issue at its January 2020 meeting (UMSUG126a). The discussion at the meeting focussed on determining the date by which these Metering Systems should be settled HH. Some members felt that although some Metering Systems could be moved by 1 April 2020, time was too short to have the appropriate conversations with UMS customers to move all of them this year. As such the overall recommendation was that the Metering Systems should be moved to HH Settlement with a backstop date of 1 April 2021.
- 1.3 These recommendations were then progressed to the Supplier Volume Allocation Group (SVG) at its February 2020 meeting.
- 1.4 At the February 2020 meeting, the SVG were unable to reach a unanimous verdict on the paper, and so the paper was deferred to the March 2020 meeting for further discussion. At the March 2020 meeting, the committee was again unable to reach a unanimous decision, and therefore the SVG Chair took the decision to refer the paper to the BSC Panel.

2. Progression at SVG228 and SVG229

- 2.1 At the February SVG Meeting (SVG228), ELEXON presented the Paper (Attachment A and B) to the committee. The majority of the SVG Members were in favour of the approach proposed and agreed with the UMSUG recommendations.
- 2.2 The DNO Representative on the SVG noted that they were opposed to the recommendations. The reasons for this opposition are covered in the Minutes from the meeting (Attachment C).
- 2.3 In order to approve (or reject) a paper, the SVG must reach a unanimous decision. With the committee unable to reach that position, the SVG Chair chose to defer the paper to the following meeting, with the DNO Representative asked to conduct some further discussions with their peers in the interim.



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- 2.4 At the March SVG Meeting (SVG 229), the paper was presented again. The DNO Representative reported back on the discussions that had taken place, but noted that they were not able to vote in favour of the recommendations.
- 2.5 The SVG Chair therefore determined that further deferral was unlikely to be able to resolve the conflict and thus took the decision to refer the paper to the BSC Panel.

3. Recommendations

- 3.1 We invite you to:
 - a) **NOTE** the 100kW Metering systems currently settled under the NHH arrangements;
 - b) **AGREE** that Suppliers and UMSOs identify all the over 100kW unmetered supplies and put in place an action plan to migrate those supplies to half hourly settlement with a backstop of April 2021; and
 - c) **AGREE** that the SVG and the PAB are kept informed on progress on this issue.

Attachments

Attachment A – SVG228/05 – Over 100kW Unmetered Supplies SVG Paper

Attachment B – SVG228/05A – NHH UMS Frequency Distribution (Attachment to SVG Paper)

Attachment C - SVG228 Minutes

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