

Dissolution of Profiling Expert Group (PEG) and impact on AFYC Recalculation process

Supplier Volume Allocation Group (SVG)

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Summary This paper recommends that the Profiling Expert Group (PEG) is dissolved, and that Subject Matter Experts (SMEs) within Elexon act as a Review Group for future Profiling related tasks, including recalculation of the Average Fraction of Yearly Consumption (AFYC). It invites the SVG to approve this, along with the proposed AFYC timetable and calculation period.

1. Background of PEG

- 1.1 The Profiling Expert Group (PEG) is an impartial expert advisory group to the Supplier Volume Allocation Group (SVG) on matters relating to the BSC's profiling arrangements. Its main responsibilities are to:
 - a) Review the Group Average Demands (GADs) and Technical Product Deliverables (TPDs) created for Elexon by the Profile Administrator (PrA) once every six months
 - b) Recommend contingency actions to be undertaken by the PrA in the case of unsuitable profiling data or deliverables
 - c) Review default data, AFYC values and other Settlement parameters, as requested by the SVG
- 1.2 The [PEG's Terms of Reference](#), dated May 2014, state that:
 - a) The PEG was set up by the SVG following a review of the profiling acceptance process
 - b) The PEG shall continue until such time as it is dissolved by the Panel or the SVG
 - c) No business shall be transacted at any meeting of the PEG unless a quorum of three members are present
- 1.3 It holds its meetings in closed session, as it considers confidential data. Whilst the PEG has no decision-making powers, it makes recommendations to the SVG.

2. Proposed Dissolution of the PEG

- 2.1 For the previous two profiling runs, Elexon has struggled to convene a quorate PEG meeting. This has been due to PEG members retiring and companies with PEG members merging, leading to two PEG members now working for the same BSC Party. Currently there are three PEG members, so all need to attend a meeting for it to be quorate
- 2.2 Elexon has raised the lack of PEG members to various committees over the last year, asking for nominations of any potential new PEG members. Only one new member has joined the PEG committee in the last 12 months.
- 2.3 Elexon recommends that the PEG is dissolved, for the following reasons:
 - a) Lack of members and difficulty recruiting new members

- b) The time-limited nature of Non Half Hourly (NHH) profiling, given the move to Market Wide Half Hourly (MWHH) settlement in the future
- c) Subject Matter Experts (SMEs) within Elexon have the knowledge required to make recommendations to the SVG on profiling related matters.

3. Proposed new approach for AFYC

- 3.1 In October each year, Elexon presents a paper to the SVG detailing the process to recalculate three sets of values that are held in Market Domain Data (MDD). These are:
 - a) AFYC values
 - b) GSP Group Profile Class Average Estimated Annual Consumption (GGPCAEAC) values
 - c) GSP Group Profile Class Default Estimated Annual Consumption (GGPCDEAC) values
- 3.2 These recalculations use a year's worth of data at the latest run type for each Settlement Day. Elexon suggests that the recalculation period for this year should be 1 November 2021 to 31 October 2022 (in line with the dates used in previous years).
- 3.3 Past papers have also detailed the PEG's role in this process. If the SVG approves the dissolution of the PEG committee, Elexon recommends that SMEs within the business undertake the PEG's previous role in:
 - a) Agreeing a methodology for the analysis
 - b) Reviewing the analysis once undertaken
 - c) Making recommendations to the SVG on whether the values should be updated in MDD
- 3.4 Our proposed timetable would change slightly following the dissolution of the PEG, and would be as follows:

Activity	Date
Elexon SMEs meet to discuss/determine appropriate methodology	November 2022
SVAA undertakes recalculation, and Elexon analyses values	December 2022
Elexon SMEs agree recommendations to the SVG	January 2023
SVG meeting to discuss recommendations	February 2023
MDD Change Request raised (if required)	After SVG meeting
Updated values go live in MDD (if appropriate) with an effective date of 1 April 2023	March 2023

4. Recommendations

- 4.1 We invite the SVG to:
 - a) **AGREE** to dissolve the PEG, and allow Elexon SMEs to act as the Review Group;
 - b) **AGREE** the proposed AFYC timetable; and
 - c) **AGREE** the calculation period of 1 November 2021 to 31 October 2022.

Appendices

Appendix 1 – Definitions and uses of recalculated items.

For more information, please contact:

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APPENDIX 1 – DEFINITIONS AND USES OF RECALCULATED ITEMS

Average Fractions of Yearly Consumption (AFYC)

AFYCs are the estimated average fractions of a Meter's annual energy attributed to each Time Pattern Regime (TPR). They are calculated for each GSP Group, Profile Class (PC), Standard Settlement Configuration (SSC) and TPR combination. There are three main uses of AFYCs:

- To calculate the Based Fraction and Switched Fraction for Switched Load Meters. These fractions are then used to calculate the Combined Period Profile Coefficients (CPPCs) from the Basic Period Profile Coefficients (BPPCs). The storage and base loads for Economy 7 type SSCs are joined to create a combined profile for the night register;
- To calculate the Period Profile Class Coefficients (PPCCs) from either the BPPCs or the CPPCs by dividing them by the AFYC for each register. The BPPCs and CPPCs sum to approximately one over the year. For each register the PPCCs sum to approximately one. For each Meter the PPCCs sum to the number of registers. The AFYCs are used to 'normalise' the Profile Coefficients for each Meter register. This creates intuitive Annualised Advances (AAs); and
- To calculate a Default Estimated Annual Consumption (EAC) value for a Meter register from a GGPCDEAC. The Default EAC value is split into register-based values by being multiplied by the AFYCs.

GSP Group Profile Class Average EACs (GGPCAEAC)

GGPCAEACs are calculated for each GSP Group, PC and SSC combination. These are the initial EACs that are allocated to new Metering Systems by Suppliers. They are also used on a change of SSC, PC or Measurement Class.

GSP Group Profile Class Default EACs (GGPCDEAC)

GGPCDEACs are calculated for each GSP Group and PC combination. They are used by the Data Aggregator to create Default EACs for Meter registers where there is no EAC/AA for that Metering System and where there are less than 50 Metering Systems with the same Settlement Class (i.e. Supplier, GSP Group, SSC, PC and Line Loss Factor) in the Supplier Purchase Matrix (SPM).