

MONITORING SETTLEMENT RISK 011

MEETING NAME	Unmetered Supplies User Group
Date of meeting	25 March 2020
Paper number	127/04
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Purpose of paper	Decision
Classification	Public
Summary	ELEXON invites the Unmetered Supplies User Group (UMSUG) to recommend the appropriate data sources for monitoring Settlement Risk 011.

1. Background

- 1.1 ELEXON is developing a suite of reports in Power BI to monitor all identified Settlement Risks within the electricity market. These reports will enhance ELEXON's capability to detect and prevent the occurrence of Settlement Risks, and to mitigate the impact of any Settlement Risk that has occurred at the earliest opportunity.
- 1.2 The Performance Assurance Board (PAB) has placed greater focus on a number of Settlement Risks for the 2019/2020 Performance Assurance Operating Period (PAOP). One of these is Settlement Risk 011: "*The risk that Unmetered Supplies volumes are calculated incorrectly or not at all, resulting in erroneous or missing data in Settlement.*"

2. Risk factors for Settlement Risk 011

- 2.1 According to the [Risk Evaluation Register](#) for 2019/2020, Settlement Risk 011 may occur due to one or a combination of the following risk factors:
 - Unmetered Supplies Operator (UMSO) does not process inventories received from customers or inventory updates received from customers, or does not provide Unmetered Supplies (UMS) certificates to other parties;
 - Incorrect Charge Codes or Switch Regimes used by Meter Administrator (MA) or UMSO;
 - Energisation status of UMS is incorrect;
 - MA does not operate Central Management System (CMS) correctly and produces inaccurate Half Hourly (HH) advances (e.g. electric vehicles, smart lighting);
 - UMSO incorrectly calculates the Estimated Annual Consumption (EAC) including using incorrect standing data;
 - UMSO or MA does not provide new / updated EAC or HH advance to Data Collector;
 - MA is not appointed or does not receive required information on Change of MA;
 - Photo-Electric Cell Unit (PECU) not maintained by UMSO (e.g does not replace broken units or update the array with new lux levels);
 - MA does not transfer accurate volumes to the HHDC completely or at all; or
 - Inventories do not accurately contain installed Equipment.

3. What do we want from the UMSUG?

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- 3.1 ELEXON currently has limited visibility of the risk factors (see section 2.1) associated with Settlement Risk 011, largely due to the lack of industry data that could be used to detect and monitor them. As such, ELEXON would like to consult the UMSUG for its views on the following questions:
- What data, both in its existing form or with some modifications, is available and could be used to monitor these risk factors;
 - Where can such data be obtained from;
 - How often is the data updated;
 - Are there any risk factors that could not be monitored because it would not be practically possible or would be expensive to monitor them; and
 - Is there any data that could be used to monitor these risk factors but could not be shared with ELEXON due to commercial, privacy or other reasons?

4. Recommendations

- 4.1 We invite you to:
- a) **COMMENT** on the contents of the paper; and
 - b) **AGREE** next steps.

For more information, please contact:

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