

SECTION K: CLASSIFICATION AND REGISTRATION OF METERING SYSTEMS AND BM UNITS

Simple Guide

Public

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Introduction

[Section K](#) of the BSC deals with the classification and registration of Metering Systems, BM Units and Trading Units. The main issues covered include:

- a) identifying the Parties that are responsible for Imports and/or Exports of energy at Boundary Points;
- b) registering the Metering Systems that measure Imports and Exports of energy in the names of the Parties responsible for them;
- c) registering Primary BM Units and assigning Primary BM Units to Trading Units;
- d) registering the Metering Systems at Systems Connection Points in the names of the Parties responsible for them;
- e) the approval of Line Loss Factors by the Panel;
- f) the process to be followed in the event that a Supplier Fails; and
- g) registering Secondary BM Units.

References to BM Unit in the remainder of this document shall be to a Primary BM Unit unless stated otherwise.

Responsibility for Imports and Exports

The BSC sets down rules for identifying Parties that are responsible for Imports and/or Exports of electricity on to or off the Total System over a Boundary Point. Where both Imports and Exports take place at a Boundary Point these must be separately identified and cannot be measured as a single net figure. If more than one Party Imports and/or Exports at a single Boundary Point the Imports and/or Exports of each must be separately identified.

Except for Generating Units in Combined Cycle Gas Turbine (CCGT) Modules, flows to or from any Generating Unit considered a Licensable Generating Plant are combined with flows to or from its unit transformer (if it has one) and the combined flow is considered a single, separate Export or Import and is identified and metered accordingly.

Where the Exports or Imports of electricity from or to an Offshore Power Park Module¹ are associated with a single Balancing Mechanism (BM) Unit then those flows can be considered as a single Export or Import. Metering Equipment to measure these flows can be installed at any location permitted by the appropriate Code of Practice. The point at which the Metering Equipment is installed is then considered to be a deemed Boundary Point, provided that appropriate accuracy compensation is applied to the meter readings as required by that Code of Practice.

Typically a Party is considered to be responsible for an Export if they generate electricity at a Generating Plant. Where the Generating Plant is Exemptable (see below), the party has the option of appointing a third party to be responsible for the Exports at that plant. Broadly speaking generators tend to be Parties that are responsible for Exports.

Typically a Party is considered to be responsible for an Import if they supply electricity to premises. Broadly speaking, Suppliers tend to be Parties that are responsible for Imports. In the case of most Imports to Generating Plant registered under the BSC, the party responsible for the Import is the Party that holds the Generation Licence.

A Party cannot begin the Export or Import of electricity on to or off the Total System over a Boundary Point until it has:

- a) ensured that Metering Equipment is in place to measure the amounts of any Exports and (separately) Imports that they are responsible for ([Section L](#) contains details about the requirements of Metering Equipment);
- b) registered the corresponding Metering Systems;
- c) established and registered BM Units;

¹ A collection of one or more strings of offshore Generating Units that are connected together and powered by an intermittent power source, e.g. offshore wind farms

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d) assigned each BM Unit to a Trading Unit.

In addition the Party responsible for Imports or Exports must ensure that it has in place any necessary Connection Agreements.

Systems Connection Points

Systems Connection Points are Grid Supply Points and Distribution Systems Connection Points. A Distribution Systems Operator is responsible for each Grid Supply Point and for each Distribution Systems Connection Point. ([BSCP20](#) and [BSCP25](#) set out the process for Distribution System Operators to agree between themselves which one of them will be nominated as responsible for each Distribution Systems Connection Point.) Parties responsible for Systems Connection Points are required to ensure that Metering Equipment is in place at the Systems Connection Point to measure the amount of electricity flowing between the systems and are required to register the corresponding Metering Systems.

The National Electricity Transmission System Operator (NETSO) and Distribution System Operators are required to inform the Central Registration Agent (CRA) of the location of each Transmission System Boundary Point, Systems Connection Point and Distribution Interconnector Boundary Point. New boundary and/or connection points must not be energised until Elexon has confirmed that a party has undertaken the necessary registrations required in relation to that boundary and/or connection point as outlined above and that applicable Aggregation Rules have been submitted in the case of a Systems Connection Point.

Exemptable Generating Plant

Generating Plant is 'Exemptable' where the company generating electricity at the plant is, or would be if they had no other Generating Plant, exempt from the requirement to hold a Generation Licence.

Where the Party responsible for the BM Unit seeks to take advantage of the additional provisions applying to Exemptable plant, Elexon is required to verify whether or not the plant is Exemptable.

Metering Systems

Metering Systems are composed of the commissioned Metering Equipment:

- a) installed to measure Imports and Exports at the Boundary Points associated with the Site for which a Party is responsible; or
- b) installed to measure Imports and Exports at Interconnector Boundary Points; or
- c) installed to measure flows of electricity at Systems Connection Points at a Site; or
- d) measuring Imports and Exports at a Metering Point, where the Metering System is registered in a Supplier Meter Registration Service (SMRS).

In relation to an Unmetered Supply, the Metering System is the Equivalent Meter or Profiled Unmetered Supply, used to calculate Imports and Exports for which a Party is responsible at a Metering Point.

Typically one Metering System measures Imports and/or Exports at a single Site however the Party responsible has the option to register more than one Metering System in relation to a Site (this option does not exist for Metering Systems registered in SMRS or for Unmetered Supplies). The same Metering Equipment can also be used to measure Imports and/or Exports for which another Party is responsible at the same Site (although in this case, the Metering Equipment would constitute two Metering Systems). A Metering System in SMRS may be used to measure Imports and/or Exports for more than one Supplier under Shared SVA Meter Arrangements as detailed below.

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Line Loss Factors

Line Loss Factors are an adjustment factor applied to the readings from a Metering System or group of Metering Systems to adjust for losses on the Distribution Systems and to calculate the associated amount of energy at the Transmission System Boundary.

Licensed Distribution System Operators submit Line Loss Factors to Elexon annually. The Licensed Distribution System Operators must calculate the Line Loss Factors in accordance with an LLF methodology that is compliant with a set of LLF methodology principles set out in [BSCP128 \(Production, Submission, Audit and Approval of Line Loss Factors\)](#). Each year, the LLF methodology is reviewed by Elexon and is subject to approval by the Panel.

The Licensed Distribution System Operators must calculate Line Loss Factors in accordance with the approved LLF methodology. Each year, Elexon carry out an audit of the Line Loss Factors as to their compliance with the applicable approved LLF methodology and other requirements of the BSC. In addition Elexon checks that the Licensed Distribution System Operators assign the correct Line Loss Factor Class to its Metering Systems.

Where the non-compliance(s) in the LLF methodology or the Line Loss Factors are not resolved within the specified BSCP timescales, default Line Loss Factors are applied.

Approved Line Loss Factors, other than Site Specific Line Loss Factors, may not be revised during the year and the applicable values (whether approved or default) are published on the [BSC Website](#).

Establishment of Group GSPs

Grid Supply Points are comprised in a Group of GSPs and are referred to as those by which the relevant GSP Group was established as at 1 August 2003. The Panel may determine a revision of the Grid Supply Points comprised in a Group of GSPs in several situations including when there is a new Grid Supply Point, an existing one is decommissioned, as a result of Distribution System developments, as well as at its discretion.

The Panel must take into account several things when revising in this way, namely geographic factors relating to Daily Profile Coefficients, the size of the GSP in relation to GSP Group Correction Factors and the effect of Boundary Point proximity on the usefulness to the NETSO of Physical Notifications and Bid-Offer Pairs submitted in relation to Supplier BM Units. The Panel is required to consult with the Authority, the NETSO, the Distribution System Operators of the relevant GSP Groups and all Suppliers before making any revision in accordance with [BSCP25](#).

Metering System Registration

A Metering System can either be registered in (CMRS) or (SMRS), (but cannot be registered in both at the same time).

For the avoidance of doubt, the registration of a Supplier's responsibility for a Metering System takes place in the Central Switching Service (CSS) under the Retail Energy Code (REC). The registration (existence) of the Metering System is recorded in SMRS. SMRS syncs with the CSS via the Electricity Retail Data Service (ERDs) that Licensed Distribution System Operators (LDSOs) provide under the REC.

Registration in CMRS

The following Metering Systems must be registered in CMRS:

- a) Metering Systems for Plant and/or Apparatus directly connected to the Transmission System;
- b) Metering Systems measuring Imports and/or Exports from Licensable Generating Plant (i.e. Generating Plant that is not Exemptable);
- c) Metering Systems measuring Imports and/or Exports for an Interconnector;
- d) any other Metering Systems where the Party applies and the Panel agrees that they should be registered in CMRS;

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e) Metering Systems associated with System Connection Points.

Parties responsible for Exemptable Generating Plant can choose to register their Metering Systems in CMRS and / or to have them registered in SMRS.

The CRA registers Metering Systems in CMRS. [BSCP20](#) specifies the procedures for doing this. In order for Metering System registrations in CMRS to become effective certain requirements have to be fulfilled, for example the Metering Equipment must have been installed and commissioned in accordance with the rules in [Section L](#) of the BSC and a CVA Meter Operator Agent must have been appointed and registered for the Metering System in accordance with the rules in [Section J](#) of the BSC. A Metering System registration becomes effective in CMRS on the later of the date specified by the Party applying to register the Metering System, and the date when the registration requirements have been met and the Registrant's Party Registration Data has been registered (as specified in [Section A](#) of the BSC). Metering System registrations must be kept up-to-date and the Registrant must notify the CRA or Central Data Collection Agent (CDCA) (as specified in [BSCP20](#)) of any change in registration details.

There can only be one Registrant of a CVA Metering System at any one time. The Registrant of a CVA registered Metering System will continue to be the Registrant unless:

- a) the Plant and/or Apparatus associated with the Metering System is disconnected and the Metering System is de-registered;
- b) (where this is allowed) the Metering System becomes registered in SMRS; or
- c) the Registrant withdraws from the registration and another Party becomes responsible for the registration.

Where responsibility for the registration changes ((c) above), the new Party must comply with the registration requirements and the old Party cannot stop being responsible for the Metering System until the new Party's registration of that Metering System becomes effective. [BSCP20](#) sets out further details for the change of registration process.

Registration in SMRS

Where a Metering System is not (or may not be) registered in CMRS, it must be registered in the CSS under the REC and thereby in SMRS. Only a Supplier can register a Metering System in CSS/SMRS. Where a Supplier intends to supply Import Active Energy or receive Export Active Energy from a Third Party Generator measured by a Metering System that is (or will be) registered in SMRS, the Supplier must provide the Supplier Meter Registration Agent (SMRA) with certain information. **Annex K-1** sets out further requirements for SMRAs in relation to SMRS. For an SVA Metering System that contains Half Hourly Metering Equipment, two or more Supplier IDs can make a Shared SVA Meter Arrangement where they are all responsible for Active Energy Exports or Imports being measured by that Metering System. [BSCP550](#) and [Party Service Line 100](#) set out further rules for making a Shared SVA Meter Arrangement. Certain requirements have to be met in order to make a Shared SVA Meter Arrangement, including one of the Supplier IDs being nominated as a Primary Supplier and the submission of an Allocation Schedule by Gate Closure. Under a Shared SVA Meter Arrangement, all Supplier IDs register the Metering System in CSS and a different SVA Metering System number is assigned to each Supplier. The Primary Supplier is responsible for ensuring that other registration requirements in relation to that Shared SVA Metering System are met, for example appointing a single SVA Meter Operation Agent and Data Collector (the rules for which are contained in [Section J](#)) and ensuring the Secondary Supplier ID(s) have access to the data recorded by the Metering Equipment associated with that Metering System. Each Supplier must maintain and update the data for which it is responsible within SMRS.

[BSCP68](#) sets out the procedures to be followed in the event that a Party wishes to transfer the registration of a Metering System from CMRS to SMRS (or vice-versa) if that Metering System is eligible to be registered in either of the registration systems.

BM Units

Configuration of Primary BM Units

BM Units comprise Plant and/or Apparatus for whose Imports or Exports a Party is responsible.

The configuration of BM Units must either meet the criteria for the configuration of a BM Unit or be an exception to it to be considered as a single BM Unit. The following configurations are classified as exceptions to the criteria for the configuration of a BM Unit and may be registered as a single BM Unit:

- Combined Cycle Gas Turbine (CCGT) Modules or Power Park Modules with Metering Systems registered in CMRS;
- the station transformer of a Generating Plant whose Metering Systems are registered in CMRS;
- premises which are directly connected to the Transmission System at a single Boundary Point;
- premises which are directly connected to the Transmission System at more than one Boundary Point, provided that the total Imports to the Plant and/or Apparatus are equal to or less than size of a Small Power Station as defined in the Grid Code (size applicable to both Imports and Exports);
- an Interconnector BM Unit (see below);
- a Base BM Unit or an Additional BM Unit (see below);
- a Combined Offshore BM Unit (with the agreement of the NETSO); and
- an Offshore Power Park Module or Combined Offshore BM unit together with any related Plant and Apparatus used to Import electricity to the Offshore Power Park Module or Combined Offshore BM Unit connected to the Transmission System at separate Boundary Points.

The criteria for the configuration of a BM Unit is as follows:

- a) only one Party is responsible for the Imports and/or Exports from or to the Plant and/or Apparatus registered in CMRS (another Party may be responsible for an SMRS registered connection as in point (d));
- b) the Imports and/or Exports relating to the BM Unit are capable of being controlled independently of any other Imports and/or Exports which do not relate to the BM Unit;
- c) the quantities of electricity Imported and/or Exported in relation to that BM Unit in any Settlement Period are or will be submitted to the Settlement Administration Agent (SAA) for Settlement separately from any quantities of Imported and/or Exported electricity from Plant and/or Apparatus not comprised in the BM Unit;
- d) the BM Unit does not contain Plant and/or Apparatus whose Imports and Exports are measured by both CVA and SVA Metering Systems except where:
 1. the Registered Capacity of the Boundary Point measured by the Metering System(s) registered in SMRS is equal to or less than the limit determined by the Panel;
 2. the Plant and Apparatus cannot Export through the Metering System registered in SMRS; and
 3. there are measures in place to prevent instantaneous flow-through of electricity:
 - i. from the Metering System registered in CMRS to the Metering System registered in SMRS; and/or
 - ii. between different Systems such as the Transmission System and the Distribution System or between different Distribution Systems; and
- e) Plant and Apparatus with a Registered Capacity of less than or equal to the size of a Small Power Station (as defined in the Grid Code) may be aggregated up to the size of a Small Power Station (size applicable to both Imports and Exports) within a single BM Unit. A BM Unit comprised of Plant and Apparatus with a Registered Capacity of greater than the size of a Small Power Station must be the smallest aggregation of the Plant and Apparatus for which the requirements mentioned in (a) to (c) would be met.

If the configuration of Plant and Apparatus does not meet all the criteria above or is not an exception to that criteria, the configuration of the BM Units may be referred to the Panel for decision. A copy of the Panel's determination is held by Elexon.

The same Plant and Apparatus cannot be contained in more than one BM Unit except in the following scenarios:

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- where different Parties are responsible for the Import to and Export from the same Plant and Apparatus. In this scenario each Party must register a BM Unit, one for the Import and one for the Export; where all or part of the Import to the Plant and Apparatus is metered by Metering System(s) registered in both CMRS and SMRS. This may be a single Metering System registered in both SMRS and CMRS and a single Boundary Point or separate Metering Systems at separate Boundary Points. The BM Units may be registered by the same or different Parties; or
- Power Park Modules which belong to a Switching Group.

Where a Party is responsible for both the Imports to and the Exports from Plant and Apparatus, it cannot register separate BM Units for the Import to and Export from the same Plant and Apparatus measured by the same Metering System.

The registration of the BM Units must be updated if there are changes to the configuration of Plant and Apparatus comprised in those BM Units.

A BM Unit which is composed of Contract for Difference (CFD) Assets can only be composed of the CFD Assets specified in the Contract for Difference relating to that BM Unit and are not allowed to include any other Plant or Apparatus.

A BM Unit (other than a Supplier BM Unit or Interconnector BM Unit) comprised of EII Assets cannot be comprised of any Plant or Apparatus that are not EII Assets and/or EII Assets with a different Exemption Proportion.

Registration of Primary BM Units

Each Party that has responsibility for Imports and/or Exports must ensure that the Plant and/or Apparatus which gives rise to those Imports and/or Exports is comprised in registered BM Units.

[BSCP15](#) contains the procedural steps for registering and reconfiguring BM Units that are associated with Metering Systems registered in CMRS. The CRA administers this registration process. There are a number of pre-requisites to such a BM Unit registration becoming effective, including the notification of Generation Capacity (GC) and/or Demand Capacity (DC) amounts for the BM Unit, submission of Aggregation Rules for the BM Unit (as per [Section R](#)) and the allocation of a Credit Assessment Load Factor (CALF) value (as per [Section M](#)). BM Unit registrations become effective on the later of the date specified by the Party registering the BM Unit and the date on which all of the pre-requisite conditions have been satisfied. BM Unit registrations must be kept up-to-date and the Lead Party for the BM Unit must notify the CRA of any change in registration details.

Each Supplier is automatically registered as having certain BM Units. This registration is irrespective of whether or not the Supplier has registered any SVA Metering Systems. The Supplier is automatically registered in respect of each of its Supplier IDs as having one BM Unit per GSP Group. These BM Units are known as Base BM Units. A Supplier holding one Supplier ID cannot cancel or withdraw from the registration of a Base BM Unit relating to that Supplier ID for as long as they are a Supplier, but may if they hold more than one Supplier ID and the Base BM Unit relates to an additional Supplier as long as the Supplier has no registered SVA Metering Systems with the additional Supplier ID in any GSP Group. Following the cancellation and withdrawal, the Supplier shall no longer hold the additional Supplier ID.

A Supplier may also apply to register further BM Units associated with a GSP Group. These BM Units are known as Additional BM Units. As with BM Units associated with Central Volume Allocation (CVA) registered Metering Systems, the process for the registration and validation of Additional BM Units is specified in [BSCP15](#).

A Supplier can assign the Plant and/or Apparatus associated with any of its SVA Metering Systems in a GSP Group to an Additional BM Unit (for that GSP Group) (subject to certain conditions set down in [Section S](#) of the BSC). Any of a Supplier's SVA Metering Systems in a GSP Group that are not associated with an Additional BM Unit will be associated with its Base BM Unit for that GSP Group.

The previous three paragraphs shall apply on a Supplier ID basis and its provisions construed accordingly.

Where a Supplier is the Registrant of an SVA Metering System associated with Contract for Difference (CFD) assets, the Supplier is responsible for the registration of an associated Additional Supplier BM Unit, and for ensuring only the relevant CFD assets are assigned to such BM Units.

Where it is not known which Supplier will take responsibility for Metering Systems associated with a generator with a CFD, Elexon will register Additional BM Units for a set of Suppliers. The set will be based on a list maintained by Elexon which identifies Active Power Purchasing Suppliers in each GSP Group, along with any other Qualified Half Hourly Supplier that has requested to be included on that list.

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Should Elexon receive notice from the EMR Settlement Services Provider with respect to CFD Assets regarding the registration or deregistration of Additional BM Units in a GSP Group Elexon will register or deregister (as appropriate) such Additional BM Units in accordance with [Section K](#) of the BSC.

Demand Capacity ("DC"), Generation Capacity ("GC"), Production and Consumption

The Lead Party of a BM Unit is required to notify its estimate of the most positive and most negative value of BM Unit Metered Volume (in MWh) for that BM Unit in any Settlement Period in a BSC Season. These estimates must be notified first when the BM Unit is registered, and subsequently at least 10 Working Days in advance of each BSC Season. The CRA divides the BM Unit Metered Volumes by the Settlement Period Duration (SPD) to convert the MWh value into a MW GC or DC. If no GC or DC declaration is made by the Lead Party in advance of the next BSC Season, the latest GC and DC values from the preceding BSC Season will be used. Where no preceding BSC Season values are available, the values shall be zero.

The estimates must also be re-notified within a BSC Season if at any time the Lead Party becomes aware, or ought reasonably to have become aware, that the previously submitted estimates are going to be (or have been) exceeded by certain tolerances published on the BSC Website by Elexon. In addition, the Lead Party of a Supplier BM Unit may, up to twice in each BSC Season, notify increases in its previous estimate of the most negative value of BM Unit Metered Volume for the BM Unit. The NETSO can ask the Panel to review any estimates submitted by Lead Parties. The procedural steps for the notification of these values are specified in [BSCP15](#).

Periodically, at Elexon's discretion, the CRA will perform automated monitoring of GC/DC breaches and estimation of replacement GC/DC values. The [Generation Capacity \(GC\) and Demand Capacity \(DC\) Estimation Methodology and Challenge Guidance](#) outlines the method used by the CRA to calculate whether a GC/DC breach has occurred and, if so, what the replacement GC/DC value will be.

If the Lead Party of a BM Unit in GC or DC breach believes that the replacement GC and/or DC value is incorrect, they have the option to challenge it and propose an alternative GC and/or DC value. Guidance for the challenge process is also provided in the Generation Capacity (GC) and Demand Capacity (DC) Estimation Methodology and Challenge Guidance.

The Panel, or its delegated Panel Committee, can review and amend the current DC and GC tolerance limits as it sees fit. Any proposed changes to DC and GC tolerance limits will be issued to BSC Parties for consultation. Following the end of the consultation, the results of the consultation will be presented to the Panel or its delegated Panel Committee and a decision will be made whether to change the DC/GC tolerance limits or not. Elexon will notify BSC Parties of any amended values, as well as the date from which they will be effective. Elexon will publish the new values on the BSC Website with their Effective From Date.

New values will be effective from the beginning of the next BSC Season, so long as there are at least 20 Working Days between the date of the Panel's decision and the start of the next BSC Season. Otherwise the new values will become effective from the beginning of the following BSC Season.

The GC for a BM Unit is the notified estimate of the most positive BM Unit Metered Volume, divided by the duration of each Settlement Period (i.e. half an hour). The DC for a BM Unit is the notified estimate of the most negative BM Unit Metered Volume, again, divided by half an hour.

If the GC plus the DC for a BM Unit is greater than zero, the Relevant Capacity of that BM Unit is GC. Otherwise the Relevant Capacity of the BM Unit is DC.

A BM Unit is classified as a Production BM Unit if the sum of Relevant Capacities of the BM Units in the Trading Unit to which it belongs is greater than zero. Otherwise the BM Unit is classified as a Consumption BM Unit. The Production or Consumption status of a BM Unit is recalculated whenever the configuration of the Trading Unit to which the BM Unit belongs changes, and whenever the DC or GC of the BM Units within the Trading Units change.

For an Exempt Export BM Unit which belongs to a Sole Trading Unit, the Lead Party can determine its Production/Consumption status. An Exempt Export BM Unit is a BM Unit comprising CVA registered Metering Systems associated with Exemptable Generating Plant.

Changes in BM Unit Registration

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The configuration of a BM Unit can change if the Party responsible for Plant and/or Apparatus comprised in a BM Unit registers different BM Units comprising those Plant and/or Apparatus. [BSCP15](#) contains procedural steps relating to such changes.

Certain charges are calculated on the basis of BM Unit Metered Volumes and these charges are detailed in [Section T](#).

Credit Qualifying BM Units

Credit Qualifying BM Units are treated differently in the Credit Calculation (see [Section M](#) for more details). A BM Unit is credit qualifying if it meets the following criteria:

- It submits Final Physical Notification (FPN) data to the NETSO; and
- It is not an Interconnector BM Unit; and
- It is one of the following:
 - a production BM Unit; or
 - an Exempt Export BM Unit.

Trading Units

A Trading Unit is a group of one or more BM Units. BM Units in a Trading Unit are afforded net treatment in their use of the Transmission System. This means that if demand in the Trading Unit is met directly by generation in the Trading Unit (or vice versa) only the net of the two will be traded over the system.

For each GSP Group, there is a unique Base Trading Unit that comprises all Supplier BM Units and all participating Exempt Export BM Units in the relevant GSP Group. Exempt Export BM Units are allocated automatically to the Base Trading Unit upon registration; however, they can opt out of the Base Trading Unit if they wish. Supplier BM Units cannot opt out of the Base Trading Unit.

The CRA administers the Trading Unit registration process and the steps are explained in [BSCP31](#).

Interconnectors

The relevant Interconnected System Operator is required to have in place Metering Equipment and register Metering Systems for measuring Imports and Exports at the Interconnector Boundary Point(s) associated with an Interconnector. The Interconnected System Operator is either the NETSO or a distribution company (if the interconnection is to the Transmission System it is the NETSO, if the interconnection is to a Distribution System it is the distribution company).

An Interconnector Error Administrator (IEA) and Interconnector Administrator (IA) must be appointed by the Interconnected System Operator and registered in the Central Registration Service (CRS) prior to a new Interconnector being energised.

No Party may Import or Export across an Interconnector Boundary Point unless an IEA has been appointed and registered in CRS.

Neither the IEA nor the IA may withdraw its consent to act as such (and the Interconnected System Operator cannot terminate their appointment) until another Party has been appointed to act in its place.

If there is no IEA in place at any given time or the company appointed as IEA stops being a Party (or their registration is removed by the Panel as per the rules in [Section H](#) of the BSC), the Interconnected System Operator must within 30 days either appoint itself as IEA or de-energise the Interconnector (subject to the approval of the Panel, and the Authority or Secretary of State as appropriate). Prior to the expiry of the 30 days, the Interconnected System Operator must assume the responsibilities of the IEA.

If there is no IA in place at any given time or the person appointed as IA stops being a Party or the IA is in Default or the Interconnected System Operator becomes the IEA by default, the BM Unit Metered Volumes for the Interconnector BM Units of relevant Interconnector Users are set to zero. Note that this rule does not apply to the BM Unit Metered Volumes of the IEA's Interconnector BM Units.

If there is no IA in place at any given time or the company appointed as IA stops being a Party or the IA is in Default or the Interconnected System Operator becomes the IEA, the BM Unit Metered Volumes for the Interconnector BM Units

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of relevant Interconnector Users are set to zero. As a consequence, the application of the Settlement rules in [Section T](#) will mean that the Interconnector Metered Volume will be attributed to the BM Units of the IEA.

The IEA is automatically allocated two Interconnector BM Units (one Production BM Unit and one Consumption BM Unit). Any Trading Party can apply to register Interconnector BM Units in relation to an Interconnector, by following the normal BM Unit registration process. However the requirement to associate Metering Systems with such BM Units does not apply. Such Interconnector BM Unit registration cannot become effective until the Interconnected System Operator has registered the related Metering Systems for the Interconnector and an IA and IEA are registered. Each Party that registers Interconnector BM Units is allocated a Production BM Unit and a Consumption BM Unit in relation to that Interconnector.

For the purposes of identifying the Relevant Capacity of BM Units, for Production Interconnector BM Units the DC is always zero and for Consumption Interconnector BM Units the GC is always zero.

An Interconnector BM Unit that is associated with an Interconnector that has Boundary Points at more than one Site can only be a Sole Trading Unit and cannot form Trading Units with other BM Units.

Failing Supplier Process

[Section K](#) describes the process to be followed for re-allocating responsibility for Imports and/or Exports of any Metering System in the event that a Supplier fails and/or goes out of business.

If a Supplier is failing, a Replacement Supplier may be appointed (either a Supplier of Last Resort, directed by the Authority, or a Transferee where a Trade Sale has taken place). The Affected BM Units for which the Replacement Supplier is to become responsible are identified (either in the direction appointing a Supplier of Last Resort or in the transfer notice, as applicable). The Replacement Supplier is then treated as being responsible for the Imports and/or Exports associated with those Affected BM Units, as the Registrant for the Metering Systems associated with those Affected BM Units and is subject to rights and/or obligations and benefits and/or liabilities connected with those Metering Systems and Imports and/or Exports, in respect of Settlement Periods arising on or after the time when the Replacement Supplier is appointed. It should be noted that the Replacement Supplier is treated as being responsible, even though it may not be registered as being responsible in the relevant registration systems. The equivalent responsibilities of the failing Supplier end in relation to such Settlement Periods going forward. The appointment of the Replacement Supplier takes effect, in the case of a Supplier of Last Resort, from 00.00 hours on the Appointment Day, and in the case of a Transferee, from the time and date specified in the transfer notice.

Any contract notifications for which the failing Supplier is a Contract Trading Party (in the case of Metered Volume Reallocations, only those where the failing Supplier is the Subsidiary Party) shall continue to apply for the purposes of Settlement under [Section T](#). Metered Volume Reallocations where the failing Supplier is the Lead Party cease to have effect.

The CRA is required to establish BM Units for which the Replacement Supplier is registered as Lead Party in the central systems, which are the same as the Affected BM Units. These registrations are known as Replacement BM Units. Each Replacement Supplier BM Unit will have the same attributes as the Affected BM Units that they are essentially replacing. However the Lead Party may change those attributes in the future, subject to the normal BSC procedures and processes for changing such attributes. The Replacement Supplier BM Unit registration is treated as being effective from the time of appointment of the Replacement Supplier. Once the Replacement Supplier BM Unit has been registered, any further rights and/or liabilities arising in relation to the Affected BM Unit which it has replaced are allocated to the Replacement Supplier BM Unit.

The Replacement Supplier (where there is more than one replacement Supplier appointed) must, within 3 months of its appointment, effect the registration of the Metering Systems associated with the Replacement Supplier BM Units and the appointment of Party Agents in relation to those Metering Systems (as per [Section J](#)) and take any other steps required to comply with other parts of the BSC in relation to the registration of those Metering Systems.

Section K: Classification and Registration of Metering Systems and BM Units

Configuration and Registration of Secondary BM Units

Secondary BM Units comprise Plant and/or Apparatus with which the Virtual Lead Party of the Secondary BM Unit may provide Balancing Services. Secondary BM Units must have the following characteristics:

- a) Secondary BM Unit must only comprise Plant and Apparatus measured by Half Hourly SVA Metering Systems within the same GSP Group; and
- b) Half Hourly SVA Metering System can only be allocated to one Secondary BM Unit.

The Virtual Lead Party of the Secondary BM Unit can determine the Secondary BM Unit's Production/Consumption Status.

[BSCP15](#) contains the procedural steps for registering Secondary BM Units. The CRA administers this registration process.

Annex K-1 – Supplier Meter Registration Service

Annex K-1 sets out the obligations that LDSOs, in their capacity as SMRAs, must fulfil regarding provision of an SMRS. It does this either directly or by reference to other parts of the BSC or BSCP501. The SMRS obligations include:

- a) A description of the service to be provided under the BSC, including service availability and terms;
- b) Entry requirements regarding the obligation to deliver, and right to receive, an SMRS;
- c) The minimum service levels that SMRAs must meet and the associated liquidated damages payable to Suppliers, Data Aggregators and Elexon if they do not (except in specified circumstances of SMRA Force Majeure);
- d) Obligations regarding the accuracy and provision of SMRS data; and
- e) How LDSOs may levy charges on Suppliers, Data Aggregators and Elexon for providing additional related services.

Annex K-2 – Trading Unit Applications

Annex K-2 contains the requirement for each Trading Unit application to specify the class of Trading Unit that it is, and contains information on the different classes of Trading Units.

Need more information?

For more information please contact the **BSC Service Desk** at bscservicedesk@cgi.com or call **0370 010 6950**.

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