SVG138 Minutes

Meeting Name	Supplier Volume Allocation Group	
Date of Meeting	31 July 2012	
Meeting Number	138	
Venue	Via Teleconference	
Attendees	Justin Andrews	SVG Chairman
	Simon Fox	Technical Secretary
	Christopher Pooley	SVG Member
	Martin Brandt	SVG Member
	Paul Hart	SVG Member
	Bob Brown	SVG Member
	Colette Baldwin	SVG Member
	Kevin Woollard	SVG Member
	James Evans	SVG Member
	Edward Coleman	SVG Alternate
	Kevin Spencer	ELEXON
	Sarah Fuller	ELEXON
	Nick Groves	ELEXON
	David Jones	ELEXON
Apologies	Tim Roberts	SVG Member
	John Stewart	SVG Member
	Peter Bolitho	Panel Sponsor

Committee Recommendations to the Panel

1. There were no recommendations to the Panel.

Committee Decisions under Delegated Responsibility

2. Summary Market Domain Data Change Requests to be incorporated into the release of MDD Version 193 – 138/01

2.1 SVG were invited to approve 10 Change requests for Version 193 of Market Domain Data (MDD), all but one with a go-live date of 15 August 2012. The other change was the new settlement profiles (Profiling Technical Product Deliverables (TPDs), which had been updated mid-year for the first time and were proposed for use in Settlement from 3 September 2012. A summary of the validation undertaken was included.

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2.2 The SVG welcomed the new mid-year change to the profiles and the benefits they brought in having more up-to-date representation of customer demands. ELEXON advised that the timescales for the Profiling Expert Group (PEG) to review the TPDs was tight; however, it did meet the deadline. ELEXON proposes to review the PEG review timetable to give the PEG more time; and seek more members of PEG.

2.3 **The SVG:**

a) **NOTED** that the validation process for all of the MDD Change Requests had been completed successfully;

b) **NOTED** that this was the first time the profiling Technical Product Deliverables had been updated mid-year; and

c) **APPROVED** the Change Requests detailed to be entered into MDD 193, with a go-live date of 3 September 2012 for the profiling TPDS (M1774) and 15 August 2012 for all other changes.

3. Update on Outstation Testing on BT's Fibre Optic Network – 138/02

3.1 Following the successful tests of Settlement Metering Equipment with BT's fibre optic network and Huawei optical equipment, the ISG and SVG had agreed that ELEXON would rerun these tests at a different BT centre using ECI optical equipment. BT has since advised that it has no further plans for such testing, although it has suggested an alternative option. ISG and SVG were invited to agree on whether the option should be investigated further.

3.2 An SVG member asked if BT had inferred responsibility for ECI optical equipment compatibility. ELEXON confirmed this was its understanding from BT's response.

3.3 The SVG asked if BT recommended testing on ECI equipment. ELEXON confirmed that a member of BT's staff who hosted the tests said it would be prudent to test on ECI equipment. The SVG also noted that BT had tested the ECI equipment against the same specification as the Huawei equipment. ELEXON would contact BT to find out more about its testing and report this back to ISG & SVG.

3.4 **The SVG:**

a) **NOTED** that BT has no further plans to test Customer Premises Equipment;

b) **AGREED** on further investigation by ELEXON into the alternative ECI testing option suggested by BT and for ELEXON to ask BT for details of its testing of ECI optical equipment; and

c) **NOTED** that ELEXON will seek a final decision from ISG and SVG on whether to proceed at the same time it presents its findings into the alternate ECI testing option and any information on BT's testing.

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Tabled Item

4. Trading Operations Report – 200/02

4.1 This report provided an overview of the operations of the BSC for **June 2012**.

4.2 The Chair noted a number of SVA points of interest in the Trading Operations Report (TOR) for SVG's benefit:

- Chart 2.10 showed significant variance in temperature;
- Chart 2.11 shows a dip in the number of HH Metering Systems over a short period, which ELEXON is investigating and will report back next month;
- Chart 2.12 indicates that Photo-Voltaic generation is increasing; and
- Charts 4.03 & 4.07 show an issue with one large Supplier registered generation plant in Northern GSP Group, which ELEXON will provide an update next month.

4.3 The SVG also discussed North Wales & London GSP Group's annual demand ratio (ADR) values at R2 or later (Chart 4.04). The Chairman explained that this was due to rolling averages.

4.4 The Chair advised that ELEXON is proposing to amend the TOR, looking at short-term and long-term improvements. Short-term, ELEXON proposes to enhance the headline section to highlight key areas of interest; and restructure the report to make it more user-friendly. In the long-term, ELEXON is looking at how it can report information and data, potentially providing sub-sets of the data currently provided by reporting by exception and potentially using the portal to publish. ELEXON will come back to the SVG with proposals, but asked that anyone with comments to provide these to Max O'Connor.

4.5 **The SVG:**

a) **NOTED** the report.

Verbal Updates

5. Panel 200 Headline Report

This report set out the headlines and key decision of the last BSC Panel meeting.

The SVG:

a) **NOTED** the report.

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6. Smart Update

6.1 ELEXON provided an update on recent and forthcoming smart consultations.

6.1.1 The SVG noted that the DCC licence award had yet to commence. The new licensable activity needs to be approved by parliament; whilst approval was gained form the House of Lords, the House of Commons had not considered it before the summer recess.

6.1.2 ELEXON noted the following consultations had recently closed:

- Consultation on new Supplier Licence obligations related to smart metering system security. DECC propose that Suppliers who install smart metering systems prior to the mandated rollout must ensure they have secure end-to-end systems. In addition Suppliers must appoint an independent auditor to verify their security solution is to the appropriate standard. Small and/or non-domestic Suppliers may be exempt; and

- Consultation on new Supplier Licence obligations related to monitoring and evaluation. DECC propose obligations on Suppliers to provide various reports that will help DECC's engagement policy and tracking of rollout progress and delivery of benefits. It was noted that Ofgem had a responsibility to monitor rollout plans to allow it to track Suppliers' progress against their licence obligation to install meters by end 2019, Ofgem would therefore also collect data from Suppliers.

6.2 ELEXON advised that it expected Ofgem would be publishing its response to the Smarter Markets consultation shortly on the work programme for delivering market reform.

7. PSRG Update

7.1 The SVG noted the next two PSRG meetings:

- 14 August will be a 'blue-sky' settlement discussion and but will interact with Ofgem's smarter market consultation. The 'blue-sky' scope and objectives will be considered along with a discussion on the process for taking forward key elements of settlement design; and

- 22 August will consider dynamic switching road map and progress of smart HH Meter data request.

7.2 An SVG member advised that the 22 August was also when Issue 45 Group will meet. The Chair will investigate to see if that group could reschedule.

8. Unmetered Supplies (UMS) Update

8.1 ELEXON advised of the next meeting, which will be 18 September (UMS operational and UMS process review).

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9. Third Party Access Update

9.1 ELEXON advised that it has raised a generic Metering Dispensation for Third Party Network to allow for difference metering arrangements. This has gone to the Metering Dispensations Review Group for review. ELEXON has received comments, some raising concerns with the proposal. ELEXON is looking to address these concerns before presenting the dispensation at next SVG.

9.2 The SVG noted that ELEXON has raised a Change Proposal (CP) to add guidance to BSCP502 'Half Hourly Data Collection' and BSCP514 'SVA Meter Operations for Metering Systems Registered in SMRS' and include requirement for the Supplier to appoint the same Data Collector and same Meter Operator Agent (MOA) for all associated metering. ELEXON noted that a BSC Party has raised an alternative CP to allow for competition of MOA; however this has associated problems with maintaining accurate meter technical details, which may cause Settlement issues.

Any Other Business

10. Actions

10.1 **Action 134/02** – ELEXON sent an email to SVG members seeking comments by 13 August. ELEXON will present a paper on the 4 September 2012. One SVG member highlighted comment provided already on the Change of Measurement Class section of the guidance. The comment relates to controls around Meter Read history from de-appointed agents, which may become more of an issue with smart metering.

10.2 **Action 137/01** – ELEXON is carrying out an internal consultation to address SVG concerns. ELEXON is considering recommending participants set up shared mailboxes with generic email address for these consultations rather than using the BSC Change Administrator (BCA) contacts, which are for CPs and Modifications. ELEXON also distributes through Newscast the latest Modification consultations. All live consultations and their deadlines are also on a single webpage, http://www.elexon.co.uk/about/insights-consultations-cpcs/consultations/

10.3 **Action 137/02** – ELEXON provided the following update:

10.3.1 Following the rejection of CP1362 (Removal of Residual Negative EACs), ELEXON asked NHHDAs to provide details of the MSIDs with negative EACs. From this, ELEXON noted an extrapolated estimate of the residual negative volume was 489,568 MWh (£22 million at CAP); however, this includes all negative EACs in NHHDA databases and doesn't take into account whether they are still appointed, so this is an overstatement of the materiality. A more accurate estimate would require a centrally developed script, which would come at a price and might reveal that the materiality is a lot lower than the "worst case".

10.3.2 At SVG137, ELEXON took an action to discuss with ELEXON's assurance teams to determine what actions could be taken to monitor and address the error. Since then, ELEXON discussed this at the STAG. A STAG

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member suggested that the SVG could place an obligation on Suppliers to instruct their NHHDCs to deem a reading at RF based on the negative EAC. By processing an AA for the deemed reading, this would create a negative AA (with the same value as the negative EAC), but a class average EAC for the forward EAC. This would resolve the issue going forward. The options would be to introduce this obligation via a Change Proposal or to request a data cleanse via the PAB (on the basis that it would be a one-off exercise, rather than an enduring requirement). The PAB Chair is happy for this to be raised with the PAB, if SVG think this is the better option. From a PAB perspective, it should be noted that there has been no non-compliance (the negative EACs were created using the prevailing rules).

10.3.3 Under both CP and PAB routes, ELEXON would still have the problem of monitoring the removal of negatives, given the reporting issue described above.

10.3.4 The SVG noted the update and agreed to provide ELEXON comments on the proposed approach above for discussion and agreement at the next meeting.

10.4 **Action 137/03** – ELEXON has provided SVG members with a draft Guidance Note of Import/Export Metering with a deadline for comments on 13 August and which ELEXON will present to SVG for approval at its September meeting.

10.4.1 One SVG member highlighted their response to the review, stating that if either the Import or Export met the requirement for HH metering, then the Supplier could not appoint the same MOA as one would be a HH MOA and the other a NHH MOA. ELEXON confirmed that even if the MOA was the same company, it is deemed a separate MOA under the BSC, so this would not be possible unless both the Import and the Export was registered as HH to allow the appointment of the same HH MOA.

10.4.2 Another SVG member asked if the Guidance Note had been sent to LDSOs on the Methodology Issues Group (MIG) for comment. ELEXON advised that it had not, but would ensure LDSOs are consulted through the MIG.

11. Minutes from Previous Meeting

11.1 The minutes from the previous meeting were agreed without (further) comment.

12. Matters Arising

12.1 Colette Baldwin advised that although Rachael Burn will be taking over as SVG member (subject to Panel approval), Colette is unlikely to move into her new role until early next year and will be supporting Rachael in her new role until then. Edward Coleman will be Rachael's alternate.

12.2 This meeting was the last SVG chaired by Justin Andrews. The SVG thanked Justin for his chairmanship.

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13. Next Meeting

13.1 The next meeting SVG will be held at the offices of ELEXON Ltd, 350 Euston Road, London NW1 3AW on **4 September 2012.**

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