

P317 'Changes to the Unmetered Supplies obligations in the BSC'

BSC Section S provides details of the Unmetered Supply (UMS) arrangements and obligations. Recent changes to the responsibilities of Licence Distribution System Operators (LDSOs) and the Party Agent role of Meter Administrator (MA) mean that some of the wording in BSC Section S relating to UMS is outdated. P317 therefore seeks to remove this outdated wording and better align the BSC with current working practice.



ELEXON recommends P317 is progressed directly to the Report Phase as a Self-Governance Modification with an initial recommendation to approve

This Modification is expected to impact:

- Licence Distribution System Operators
- Meter Administrators

Contents

1	Why Change?	3
2	Solution	4
3	Proposed Progression	6
4	Likely Impacts	7
5	Recommendations	8
	Appendix 1: Glossary & References	9

About This Document

This document is an Initial Written Assessment (IWA), which ELEXON will present to the Panel on 12 February 2015. The Panel will consider the recommendations and agree how to progress P317.

There are three parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, benefits, drawbacks and proposed implementation approach;
- Attachment A contains the P317 Modification Proposal Form; and
- Attachment B contains the draft redlined changes to the BSC for P317.



Contact

Talia Addy

020 7380 4043

talia.addy@elexon.co.uk



234/07

P317

Initial Written Assessment

5 February 2015

Version 1.0

Page 2 of 10

© ELEXON Limited 2015

1 Why Change?

What is an Unmetered Supply?

An [Unmetered Supply](#) (UMS) is any apparatus that draws a current and is connected to the Distribution Network without a Meter recording its energy consumption. UMS exists in the HH and Non-Half Hourly (NHH) Supplier Volume Allocation (SVA) markets.

Details of the UMS processes and obligations are detailed in [BSC Section S 'Supplier Volume Allocation'](#) and BSC Procedure 520 (BSCP520) ['Unmetered Supplies Registered in SMRS'](#).

What is an Equivalent Meter?

An Equivalent Meter (EM) means, in relation to a UMS, the hardware and software that is used to calculate the HH consumption of electricity associated with a UMS.

There are two types of EM:

- passive Meters, which allocate the unmetered consumption across HH periods by looking at the mathematical relationship between annual burning hours compared to the daily time of sunrise and sunset; and
- dynamic Meters, which allocate the unmetered consumption across HH periods by referencing the operational number of Photo Electric Cell Unit Array (PECUs), or by making use of actual switching times reported by a Central Management System (CMS)¹.

What is the issue?

The P317 Proposer has identified issues with wording in BSC Section S relating to the UMS arrangements. Recent changes to the responsibilities of LDSOs and MAs, in relation to UMS, means that some of the wording in Section S is now outdated.

The P317 Proposer therefore seeks to remove this outdated wording and better align the BSC with current working practice (the lower level details of which are detailed in BSCP520).



What is a Photo Electric Cell Unit Array?

A PECU Array is the device, containing approximately 30 PECUs that the MA contacts to ascertain the local switching times for certain HH UMS customers.

¹ Central Management Systems, also known as telemanagement, are the next step in remote dynamic street lighting control.

Proposed solution

[P317 'Changes to the Unmetered Supplies obligations in the BSC'](#) was raised by Electricity North West on 8 January 2015. This Modification seeks to remove redundant text from the BSC relating to the UMS arrangements.

P317 proposes to remove paragraphs 8.2.7 – 8.2.10 inclusive from BSC Section S as they are now outdated for the following reasons:

- **8.2.7** – *“Upon request by a Supplier or the Panel, a Licensed Distribution System Operator shall notify it in writing of one or more Equivalent Meters to be used on its Distribution System or Associated Distribution System for the purpose of calculating consumption associated with an Equivalent Unmetered Supply.”*
 - Paragraph 8.2.7 is now outdated as current working practice allows the UMS Operator (UMSO)² to specify dynamic or passive trading on a Metering System Identifier (MSID) by MSID basis (as detailed in BSCP520). The UMSO is responsible for looking after all of the UMS on its Network.
- **8.2.8** – *“A Licensed Distribution System Operator shall be entitled to change its nomination of an Equivalent Meter from time to time provided that it gives at least one year’s prior written notice of such change to the Panel.”*
- **8.2.9** – *“The Panel shall, on request by a Supplier, provide details of the Equivalent Meter used or to be used by a Licensed Distribution System Operator, as notified to the Panel by that Licensed Distribution System Operator pursuant to paragraph 8.2.7 and 8.2.8.”*
 - Paragraphs 8.2.8 and 8.2.9 are no longer required as the EM is part of the MA’s qualified system and therefore not determined by the LDSO. BSCP520 also sets out that the BSC Panel approves EMs. If requested, the UMSO shall advise the Panel of the EMs to be used on its Distribution System, and will provide 1 year’s written notice to the Panel if the EM is to be changed. The Panel will provide details of the EM used by an UMSO to a Supplier if requested.
- **8.2.10** – *“If an Equivalent Meter requires one or more photo electric cell unit arrays to function properly, then the Licensed Distribution System Operator which nominated the Equivalent Meter shall agree with any relevant Supplier the location(s) of such photo electric cell unit array(s).”*
 - Paragraph 8.2.10 is now outdated as current working practice, detailed in BSCP520, has been changed to clarify the responsibilities for agreeing the location of PECU Arrays.

² The UMSO is part of the LDSO, also known as the Distribution Business or Network Operator. The UMSO is responsible for looking after all of the Unmetered Supplies on its Network. The UMSO makes new connections and decides what equipment is suitable for treatment as an Unmetered Supply. The UMSO provides a summarised inventory to the MA for Half Hourly traded UMS or calculates an Estimated Annual Consumption (EAC) for Non Half Hourly traded UMS.

Applicable BSC Objectives

The P317 Proposer believes that this Modification would better facilitate Applicable BSC Objective (d), for the reasons set out below:

- **Objective (d):** P317 seeks to remove redundant text from the BSC relating to the UMS arrangements which have not been updated since the obligations on LDSOs and the Party Agent role of MA were been changed in BSCP520. Removing this outdated text promotes efficiency in the implementation of the balancing and settlement arrangements.

Implementation approach

We are recommending, and the Proposer supports, an Implementation Date for P317 of:

- **25 June 2015;** as part of the June 2015 BSC Release.

There is no participant or system impacts anticipated as P317 is only seeking to remove text from the BSC that is no longer required. Therefore, we believe implementation of this Modification in June 2015 is appropriate as very little lead time is required.

Legal text changes

Full details of the draft legal text changes to BSC Section S for P317 can be found in Attachment A.



What are the Applicable BSC Objectives?

(a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence

(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System

(c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity

(d) Promoting efficiency in the implementation of the balancing and settlement arrangements

(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]

(f) Implementing and administering the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation

234/07

P317

Initial Written Assessment

5 February 2015

Version 1.0

Page 5 of 10

© ELEXON Limited 2015

3 Proposed Progression

Why direct to Report Phase?

The Panel has the ability to progress a Modification straight to the Report Phase where it considers it self-evident that the Modification Proposal better facilitates the Applicable BSC Objectives (BSC paragraph F2.2.4).

We believe that it is self-evident that the Modification Proposal will enable the quick progression and implementation of minor changes to the BSC without the need to go through the full Modification process.

Why Self-Governance?

A Modification Proposal can be progressed as Self-Governance if:

- The Panel believes that it satisfies the Self-Governance Criteria, and the Authority does not issue a contrary direction; and/or
- The Authority believes that it satisfies the Self-Governance Criteria and issues a notice to that effect.

This Modification Proposal has no material impact on consumers, competition, the Transmission System and/or BSC governance. There will be no impact on Parties or process as the Modification only seeks to remove wording from BSC Section S that is now redundant and outdated.

We therefore believe that this Modification Proposal meets the Self-Governance Criteria.

Timetable

There are a number of Modifications due to be issued for consultation shortly after the February Panel meeting. We are therefore recommending the following progression timetable to allow the industry time to respond to the P317 consultation:

Proposed Progression Timetable for P317	
Event	Date
Present Initial Written Assessment to Panel	12 Feb 15
Report Phase Consultation (15 WDs)	20 Feb 15 – 13 Mar 15
Present Draft Modification Report to Panel	9 Apr 15

If the Panel prefer for P317 to be issued for a shorter consultation and be brought back to the March Panel meeting we would recommend the following:

Proposed Progression Timetable for P317	
Event	Date
Present Initial Written Assessment to Panel	12 Feb 15
Report Phase Consultation (10 WDs)	16 Feb 15 – 2 Mar 15
Present Draft Modification Report to Panel	12 Mar 15



What is the Self-Governance Criteria?

A Modification that, if implemented:

(a) is unlikely to have a material effect on:
(i) existing or future electricity consumers; and
(ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution, or supply of electricity; and
(iii) the operation of the national electricity transmission system; and
(iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and
(v) the Code's governance procedures or modification procedures; and

(b) is unlikely to discriminate between different classes of Parties.

234/07

P317
Initial Written Assessment

5 February 2015

Version 1.0

Page 6 of 10

© ELEXON Limited 2015

4 Likely Impacts

Impact on BSC Parties and Party Agents

No direct impacts anticipated on BSC Parties or Party Agents. However, there may be indirect impacts on LDSOs and MAs if internal documentation needs to be updated to note that the paragraphs being removed under P317 are no longer relevant.

Impact on Transmission Company

We do not anticipate there to be an impact on the Transmission Company.

Impact on BSCCo

ELEXON will be impacted through the implementation of the changes to BSC Section S.

Impact on BSC Systems and processes

There are no impacts on BSC Systems or processes.

Impact on Code

Code Section	Potential Impact
Section S	Changes will be required to implement P317.

5 Recommendations

We invite the Panel to:

- **AGREE** that P317 progresses directly to the Report Phase;
- **AGREE** that P317:
 - **DOES** better facilitate Applicable BSC Objective (d);
- **AGREE** an initial recommendation that P317 should be **approved**;
- **AGREE** an initial Implementation Date of:
 - 25 June 2015
- **AGREE** the draft legal text;
- **AGREE** an initial view that P317 should be treated as a Self-Governance Modification; and
- **NOTE** that ELEXON will issue the P317 draft Modification Report (including the draft BSC legal text) for a 15 Working Day consultation and will present the results to the Panel at its meeting on 9 April 2015.

Appendix 1: Glossary & References

Acronyms

Acronyms used in this document are listed in the table below.

Acronym	
Acronym	Definition
BSCP	Balancing and Settlement Code Procedure
CMS	Central Management System
EM	Equivalent Meter
HH	Half Hourly
LDSO	Licensed Distribution System Operator
MA	Meter Administrator
MSID	Metering System Identifier
NHH	Non Half Hourly
OID	Operational Information Document
PECU	Photoelectric Cell Unit
SVA	Supplier Volume Allocation
UMS	Unmetered Supply
UMSO	Unmetered Supply Operator

External links

A summary of all hyperlinks used in this document are listed in the table below.

All external documents and URL links listed are correct as of the date of this document.

External Links		
Page(s)	Description	URL
3	Unmetered Supplies webpage	https://www.elexon.co.uk/reference/technical-operations/unmetered-supplies/
3	BSC Sections webpage	https://www.elexon.co.uk/bsc-related-documents/balancing-settlement-code/bsc-sections/
3	BSCP webpage	https://www.elexon.co.uk/bsc-related-documents/related-documents/bscps/6/?show=10&type=class
3	UMSUG webpage	https://www.elexon.co.uk/group/unmetered-supplies-user-group-umsug/
3	SVG webpage	https://www.elexon.co.uk/group/supplier-volume-allocation-group-svg/

234/07

P317

Initial Written Assessment

5 February 2015

Version 1.0

Page 9 of 10

© ELEXON Limited 2015

External Links		
Page(s)	Description	URL
3	OID webpage	https://www.elexon.co.uk/reference/technical-operations/unmetered-supplies/charge-codes-and-switch-regimes/
5	P317 webpage	https://www.elexon.co.uk/mod-proposal/53172/

234/07

P317
Initial Written Assessment

5 February 2015

Version 1.0

Page 10 of 10

© ELEXON Limited 2015