

## P364 'Clarifying requirements for registering and maintaining BM Units'

This Modification will clarify the requirements for configuring and registering Plant and Apparatus in Balancing Mechanism (BM) Units. Specifically where Parties seek to share responsibility for Imports and Export from the same Plant and Apparatus or via the same Boundary Point. It will also clarify the circumstances and requirements for maintaining BM Unit registration details and seeking to re-register BM Units when the configuration of Plant and Apparatus change.



ELEXON recommends P364 is progressed to the Assessment Procedure for an assessment by a Workgroup

This Modification is expected to impact:

- Generators
- Suppliers
- The Transmission Company
- ELEXON
- The Imbalance Settlement Group



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## About This Document

This document is an Initial Written Assessment, which ELEXON will present to the Panel on 14 December 2017. The Panel will consider the recommendations and agree how to progress P364.

There are two parts to this document:

- This is the main document. It provides details of the Modification Proposal, an assessment of the potential impacts and a recommendation of how the Modification should progress, including the Workgroup's proposed membership and Terms of Reference.
- Attachment A contains the P364 Proposal Form.

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# 1 Why Change?

## Background

Balancing Mechanism (BM) Units are used as units of trade within the Balancing Mechanism. They are used in the BSC to account for all energy that flows on to or off of the Transmission Systems and Distribution Systems (collectively the Total System).

In general terms, several types of BM Unit are referred to, which represent different forms of connection to the Total System and participation. The general type is marked using a prefix in each BM Units' ID, as given below.

Types of BM Unit		
BM Unit type	Prefix	Overview
Directly Connected	T_	BM Units directly connected to the Transmission System. These are typically Generation Units.
Embedded	E_	BM Units embedded within a Distribution System.
Interconnector	I_	BM Units related to an Interconnector.
Supplier	2_	BM Units covering Supply. These contain all of a particular Supplier's Meters for a given Grid Supply Point (GSP) Group.
	C_	These Additional Supplier BM Units are registered solely for the purpose of allocating Contracts for Difference (CfD) Assets.
Miscellaneous	M_	Other types of BM Units that don't fit the above categories. This prefix does not apply to newly registered BM Units.

BSC Section K1.2.1(c) requires Parties to register BM Units for the Plant and Apparatus where they are responsible for associated Exports or Imports. Parties may either register Plant and Apparatus in a BM Unit where the configuration of the Plant and Apparatus satisfies a 'standard' configuration or otherwise the Panel determines a 'non-standard' configuration.

### Standard configurations

BSC Section K3.1.2 requires the configuration of Plant and Apparatus in a single BM Unit to meet certain conditions. BSC Section K3.1.4 defines a number of configurations of Plant and Apparatus that meet these conditions, e.g. Generating Unit<sup>1</sup> or Power Park Module<sup>2</sup> (PPM). Plant and Apparatus within a BM Unit that meet one of the configurations are referred to as standard BM Units. These are:

- Any Generating Unit, Combined Cycle Gas Turbine (CCGT) Module or PPM whose Metering System(s) for its Exports is registered in Central Meter Registration Service (CMRS);
- The Plant and Apparatus which comprises part of, and which Imports electricity through the station transformer(s) of, a Generating Plant, where the Metering System(s) for such Imports is registered in CMRS;

<sup>1</sup> Any Apparatus which produce electricity

<sup>2</sup> A series of Offshore or Onshore Generating Units grouped together and considered as a single Plant for the purposes of the Code



### What is Plant and Apparatus in relation to a BM Unit?

Plant means fixed or movable items used in the generation, supply, distribution and/or transmission of electricity, other than Apparatus.

Apparatus means all equipment in which electrical conductors are used or supported or of which they form part.

A BM Unit means a unit established and registered (or to be established and registered) by a Party in accordance with BSC Section K3 or, where the context so requires, the Plant and/or Apparatus treated as comprised in or assigned to such unit for the purposes of the Code;

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- The premises (of a Customer supplied by the Party) which are directly connected to the Transmission System, provided that the premises are only connected at one Boundary Point;
- An Interconnector BM Unit in accordance with BSC Section K5;
- A Supplier BM Unit (Base BM Unit or an Additional BM Unit) in accordance with BSC Section K3.3; or
- Any two or more Offshore PPMs where the Party wishes to combine these as a single BM Unit and the Transmission Company (National Grid Electricity Transmission – NGET) determines that such a configuration is suitable to constitute a single Combined Offshore BM Unit.

Parties register BM Units in accordance with BSC Section K3.2 and [BSCP15 'BM Unit Registration'](#). Standard BM Units take at least 30 Working Days (WDs) to register. The Central Registration Agent (CRA) validates and processes applications following consultation with ELEXON and the Central Data Collection Agent (CDCA).

### Non-standard configurations

In accordance with BSC Section K3.1.5 and 3.1.6, the [Imbalance Settlement Group](#)<sup>3</sup> (ISG), under delegation from the BSC Panel, must determine the configuration of BM Units. These are known as non-standard BM Units. The circumstances in which a Party<sup>4</sup> may apply for a non-standard BM Unit are:

- The relevant Plant and Apparatus does not fall into one of the standard configurations;
- The relevant Plant and Apparatus do fall into a standard configuration, but the Party considers a different configuration would satisfy the requirements for BM Units; or
- The relevant Plant and Apparatus Exports or Imports at a Central Volume Allocation (CVA) Boundary Point at which there are other Exports or Imports for which another person is responsible.

In practice, Parties send an application for a non-standard BM Unit to ELEXON, which then presents the application to the ISG on the applicant's behalf.

Where a Party applies for a non-standard BM Unit the Party is required to explain and justify its proposed configuration of the Plant and Apparatus – in particular the extent to which it satisfies or nearly achieves the requirements in K3.1.2. ELEXON prepares an ISG paper based on the information provided to it in the application and consults the Transmission Company for its views. Based on the Party's application and the ELEXON paper, the ISG consider and determine whether the BM Unit should be registered as a non-standard configuration of Plant and Apparatus.

The application, approval and registration process for non-standard BM Units can take up to 60WDs.



#### What is a Boundary Point?

A point at which any Plant or Apparatus not forming part of the Total System is connected to the Total System.

The Total System, for the purpose of P364 means the Transmission System or each Distribution System.

The Total system also comprises Offshore Transmission System User Assets as defined by the Grid Code

<sup>3</sup> The ISG is responsible for overseeing the operation of the Imbalance Settlement processes and systems in the CVA Market

<sup>4</sup> The BSC also allows the CDCA or CRA to refer BM Unit configuration applications to the ISG where it considers that there is reasonable doubt as to whether the relevant Plant and Apparatus is a standard configuration.

## Changes to BM Unit configurations

In accordance with K3.2.8, Lead Parties are required to keep their registration up-to-date by notifying the CRA of any change in the details. Whilst the BSC does not include a defined term for BM Unit 'registration details', BSC Section K3.2.3 specifies certain details an applicant must provide when applying for a BM Unit. Also, BSC Procedure 15 'BM Unit Registrations' requires that applicants complete a form (BSCP15/4.1) to register a BM Unit. This form includes a table entitled 'BM Unit Registration Details'.

## What is the issue?

As the market evolves, ELEXON is seeing more and more non-standard BM Unit configurations for Plant and Apparatus that would otherwise be classified as standard as per BSC Section K3.1.2. This is causing delay in registration as they require ISG approval and can be seen as impacting on competition (approval time for standard is half that of non-standard) and could be seen as a barrier to entry. Furthermore, as Parties change their Plant and Apparatus's configuration, the BM Unit registration is not always updated to reflect the changes.

The Proposer explains that ELEXON's [Review of Metering Dispensations and non-standard BMUs](#) and changes in market participation over the last 24 months demonstrate that requirements in BSC Section K3.1 do not clearly reflect current and changing ways in which Parties participate in the electricity industry. In particular, they use three examples that illustrate how the requirements may be unclear or contradictory, and consequently either inhibit or frustrate participation. The narrowness or ambiguity of the requirements for BM Units has led to a growing number of applications for non-standard BM Units, which is more time consuming for Parties, ELEXON and the ISG to progress.

In addition, the Proposer noted that the BSC is not clear what should be done when Plant and Apparatus are reconfigured in such a way that the new configuration no longer meets one of the standard configurations or the original approved non-standard configuration.

## Examples of the issue

Where a single Party is responsible for the Imports and Exports from the same Plant and Apparatus, they may wish to register the Imports and Exports in separate BM Units. The Plant and Apparatus may satisfy one of the standard configurations in BSC Section K3.1.4. However, this approach is prohibited by BSC Section K3.1.3, which only allows the same Plant and Apparatus to be registered in more than one BM Unit where different persons are responsible for the Imports and Exports<sup>5</sup>.

Different Parties may wish to take responsibility for the Import to and Export from the same Plant and Apparatus connected to the Transmission System at a single Boundary Point. In this scenario the Plant and Apparatus might satisfy the standard configurations in BSC Section K3.1.3 and BSC Section K3.1.4, which allow the same Plant and Apparatus to be registered in more than one BM Unit so long as they are registered to separate Parties. However, BSC Section K3.1.5(d) means that because responsibility for the Imports and Exports at the same Boundary Point are shared between different Parties the configuration of the BM Units must be determined by the ISG, i.e. a non-standard BM Unit.

The third example considers a situation where two sets of Plant and Apparatus, where each satisfy a standard configuration under K3.1.4, share a single Boundary Point to the

<sup>5</sup> The exemption to this is for Exemptable Generating Plant – see appendix 1 for further details

Transmission System. In one scenario, all Imports and Exports for all the Plant and Apparatus are the responsibility of one Party. In this case, the single Party may easily establish each set of Plant and Apparatus as standard BM Units. On the other hand, where:-

- responsibility for the Imports and Exports of one set of Plant and Apparatus belong to one Party; and
- responsibility for the Imports and Exports of the other set of Plant and Apparatus belong to another Party,

each Party must apply for a non-standard BM Units in accordance with K3.1.5(d).

These examples are explained in further detail in Appendix 1.

### Proposed solution

[P364 'Clarifying requirements for registering and maintaining BM Units'](#) was raised on 7 December 2017. It proposes changes to BSC Section K3.1 to simplify the requirements, therefore making them clearer and reflective of current and changing approaches to market participation. A consequence of these changes should be fewer applications for non-standard BM Units. It also proposes changes that will clarify when and what Parties should do if the configuration of Plant and Apparatus in a BM Unit change.

### Registration of BM Units

Amend BSC Section K to enable greater clarity, flexibility and ease (i.e. avoid direction by the ISG) when registering BM Units for Parties to share responsibility for the Imports to and Exports from the same Plant and Apparatus or where Plant and Apparatus share a Boundary Point. The types of configuration to be more easily enabled in BSC Section K should include (but not necessarily be limited to) the following:

- A single Party wishes to register separate BM Units for the Import to and Export from the same Plant and Apparatus;
- Two Parties wish to establish two BM Units for the same Plant and Apparatus, which would otherwise constitute a standard configuration, at the same Boundary Point, but where one Party wishes to be responsible for the Imports to and another Party for the Exports; and
- More than one set of Plant and Apparatus (each otherwise constituting a standard BM Unit) share a CVA Boundary Point but different Parties are responsible for each set of Plant and Apparatus. In this case the CDCA should be required to confirm that appropriate Aggregation rules are agreed or are updated where applicable.

### Changes to BM Unit configuration

Amend the BSC and any associated CSDs (e.g. BSCP15) if Parties BM Unit configuration has changed following changes to its Plant and/or Apparatus. If such changes to Plant and/or Apparatus invalidate the original registration configuration, the Party should seek approval based on the new configuration.

### Applicable BSC Objectives

The Proposer believes this Modification would better facilitate Applicable BSC Objectives (C) and (D) compared with the existing baseline for the reasons set out below:

#### Applicable BSC Objective (C):

Allowing separate BM Units to be registered by the same Party for the Import to and Export from the same Plant and Apparatus would remove the inconsistency between how BM Units can be registered depending on whether the same or different Parties are registering them, therefore levelling the playing field and promoting competition. Allowing Parties to register separate BM Units for the Import to and Export from the same Plant and Apparatus gives Parties greater commercial options thus encouraging entry into the market place and facilitating competition.



#### 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 administrating the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation

(g) Compliance with the Transmission Losses Principle

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### **Applicable BSC Objective (D):**

Adding further information about applying for non-standard BM Unit status when Plant and Apparatus is reconfigured helps to make the BSC requirements clearer and reduces the risk of errors occurring. Simplifying the BM Unit registration process increases the efficiency of registration and therefore removes potential barriers to entry. By reducing the workload of the ISG and ELEXON, it allows them to focus their efforts on increasing efficiency elsewhere and providing greater support to Parties.

### **Implementation approach**

This change is expected to be document only, however, this will be confirmed during the Assessment Phase. It should be implemented as part of the first standard BSC release following approval for implementation.

There are a lot of similarities between this Modification and [P363 'Simplifying the non-standard BM Unit process'](#) but each is addressing separate defects. Both are concerned with BM Unit registration however, P364 is concerned with simplifying the process for certain configurations of Plant and Apparatus so that they do not need ISG approval. P363 is looking to introduce new criteria (from a technical perspective) for what may be considered as standard.

Given the similarities and overlaps between the two Modifications they should be progressed together. Consideration has been given to combining them into a single Modification, but there are two separate defects that are being addressed and if the solution for one is rejected, it should not prevent the other from being implemented. As a result ELEXON believes they should be progressed as two separate Modifications.

### 3 Areas to Consider

In this section we highlight areas which we believe the Panel should consider when making its decision on how to progress this Modification Proposal, and which a Workgroup should consider as part of its assessment of PXXX. We recommend that the areas below form the basis of a Workgroup's Terms of Reference, supplemented with any further areas specified by the Panel.

There is a lot of similarity between P364 and P363, which is why we are recommending that they are progressed together, including a combined workgroup (see section 4).

#### Standard BM Units configurations

The proposer has submitted examples of scenarios that already require a non-standard BM Unit or may not be allowed at all. The electricity industry is undergoing a significant amount of change. As new technologies and business models emerge, parties may seek to configure their Plant and Apparatus in new ways that further challenge the requirements for the configuration and registration of BM Units.

So as to ensure the BSC is not an undue barrier to innovation, the workgroup should consider if there are any other scenarios or configuration of Plant and Apparatus that should be either allowed as BM Units or at least should no longer require determination by ISG as a non-standard BM Unit.

#### Effect on NGET

ELEXON's 'Review of Metering Dispensations and non-standard BM Units' stated that NGET 'would want the Plant and Apparatus connected to individual connection points to be separate BM Units, so that it is able to issue explicit instructions against each connection to the Transmission System.' During the Assessment Phase, the Workgroup should consider technical constraints imposed by other Codes or regulatory arrangements, e.g. in the Grid Code or Distribution Code, and where necessary consider how best to accommodate them.

#### ELEXON's administration of the BSC

There are cases where Trading Parties have two BM Units associated with one Plant and Apparatus following ISG approval. BSC systems are set-up to deal with BM Units as an entity with no link in the registration of a BM Unit to another BM Units therefore this Modification is not expected to require a change in BSC Systems. However, consideration should be given to whether or not to require BSC Systems to identify links between BM Units e.g. for the purpose of updating Aggregation rules.

#### Role of the ISG

Consideration should be given to whether ELEXON needs to provide additional assurance to Parties that those Sites that will receive '*de-facto approval*', are indeed fit for purpose where previously they required approval by exception.

## ELEXON discretionary powers

There may be commercial reasons why a Plant and Apparatus is not configured in a standard way (P363 'Simplifying the non-standard BM Unit process' is considering what should be considered as standard). This Proposal asserts that over time we will see patterns emerge in how 'non-standard' Plant and Apparatus are configured, which need to be presented to the ISG for approval.

There may be various combinations of registering different BM Units associated with a Plant and Apparatus (or multiple Plant and Apparatus if CVA boundary metering is shared) that are presented to ISG approval, because they do not meet the scenarios envisaged by this Modification, but are in the spirit of this Modification.

In these scenarios, consideration may want to be given for whether or not ELEXON is given discretionary powers in determining what requires ISG approval and what doesn't.

If the ISG has previously approved something exactly the same, then it could be argued that ELEXON does not need to request the ISG to replicate their decision.

## Areas to consider

The table below summarises the areas we believe a Modification Workgroup should consider as part of its assessment of P364:

Areas to Consider
What are the guiding principles for establishing BM Units for use in Settlement?
Are there any additional configurations of Plant and Apparatus or novel business models that are (or are expected to be in the next five years) commonplace and might be prevented by the requirements in K3.1 or otherwise require non-standard configuration?
How might P364 affect the Transmission Company's obligation to manage the National Electricity Transmission System?
How might the proposed modification affect the integrity of Settlement?
Are there any technical reasons for why the proposed changes are not suitable i.e. they should remain prohibited or require ISG approval?
What are the circumstances in which technical changes may lead to a change in configuration?
Are there technical constraints within other Industry Codes or regulatory arrangements that ought to be considered?
What changes are needed to BSC documents, systems and processes to support P364 and what are the related costs and lead times?
Are there any Alternative Modifications?
Should P364 be progressed as a Self-Governance Modification?
Does P364 better facilitate the Applicable BSC Objectives than the current baseline?

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## 4 Proposed Progression

### Next steps

We recommend that P364 is progressed to a seven month Assessment Procedure for consideration by a Workgroup. For rationale behind this recommendation, please see the timetable section below.

### Self Governance

In terms of registering BM Units, the solutions proposed in this modification already occur with ISG approval. The proposer is suggesting that the ISG need not be consulted ahead of registration for certain circumstances. With regards to updating registration details, there is already a requirement for this in the BSC. This Modification looks to make the requirement around re-configuration more explicit.

This Modification should be progressed as a standard (Self-Governance) Modification for the following reasons:

- The configuration of the BM Unit does not have a direct impact on consumers;
- Competition in generation is not materially affected as only the process for registration is changing;
- There is no material impact on operation of the Transmission System as the current arrangements relating to the registration of BM Units will be simplified. If anything, it will make it easier for NGET to issue instructions (e.g. Bid-Offer Acceptances) against each connection to the Transmission System;
- There will be no effect on matters relating to sustainable development, safety or security of supply, the management of the market or network emergencies. This Modification will simplify current arrangements and will apply to all Generators;
- The Proposal will not affect how the BSC is governed or Modifications are progressed; and
- The Proposal applies equally to all types of Generation Parties, as well as Suppliers who can register Licence Exempt Embedded Plant and Apparatus.

### Workgroup membership

We recommend that P364 Workgroup members have knowledge of BM Unit registration whether from a Generator perspective or from a Total System perspective. It is recommended that the P364 and P363 Workgroups be operated as one Workgroup. They both require the same expertise and in order to gain maximum synergy and efficiency we propose the Workgroup meetings should be held jointly.

### Timetable

We recommend that P364 undergoes a seven month Assessment procedure, with the Assessment Report being presented to the Panel at its meeting on 12 July 2018. However, if the solution develops such that further analysis or solution development is required an extension to the Assessment Procedure will be needed. Conversely, if P364 progresses



#### 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.

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quicker than anticipated, we will seek to bring the Assessment Report back to an earlier Panel meeting.

The proposed timetable provides for development of the solution and completion of any supporting analysis required. This will include:

- Any changes required to the BSC and BSC Central Systems;
- Development of legal text and business requirements;
- The progression of other Modifications in Assessment Procedure; and
- The Christmas and New Year period as well as the Easter, May and Summer Bank Holidays.

The plan is based on P364 and P363 progressing simultaneously due to their similarities. Currently the progression timetable assumes that an industry impact assessment and Assessment Procedure Consultation will be held. Impact assessments and consultations for P364 and P363 will be separate but occur concurrently.

Proposed Progression Timetable for P364	
Event	Date
Present Initial Written Assessment to Panel	14 Dec 17
Workgroup Meeting	W/B 5 Feb 18
Industry Impact Assessment	6 Mar 18 – 19 Mar 18
Workgroup Meeting	W/B 26 Mar 18
Assessment Procedure Consultation	29 May 18 – 18 Jun 18
Workgroup Meeting	W/B 9 Jul 18
Present Assessment Report to Panel	9 Aug 18
Report Phase Consultation	15 Aug 18 – 29 Aug 18
Present Draft Modification Report to Panel	13 Sep 18
Self-Governance Objection Window	19 Sep 18 – 9 Oct 18

## 5 Likely Impacts

The following are what we believe the impact will be and are based on the solution put forward in the Proposal form. They will be reviewed and, where necessary, updated during the Assessment Phase based on Workgroup feedback and Assessment Phase Consultation responses.

### Impact on BSC Parties and Party Agents

Party/Party Agent	Potential Impact
Generators and Suppliers	The Registration process for certain types of BM Unit configuration will be simplified and reduced from 60 WD to 30 WD. This will give new Generators more options when coming to Market and will be seen as reducing barriers to entry.

### Impact on Transmission Company

The Proposed Modification will provide NGET with more granularity of Total System connections where one Party registers separate BM Units for Import to and Export from Plant and Apparatus. It will be easier for NGET to issue instructions against each connection to the Transmission System.

### Impact on BSCCo

Area of ELEXON	Potential Impact
Settlement Operations and Metering	The team will be required to prepare fewer ISG papers to seek approval for non-standard BM Units. This will allow more time to focus on customer support elsewhere.

### Impact on BSC Systems and processes

BSC System/Process	Potential Impact
No Impact	

### Impact on BSC Agent/service provider contractual arrangements

BSC Agent/service provider contract	Potential Impact
None at this time	Following Assessment Phase analysis, the solution may require an update/amendment to BSC Systems to use existing data to identify potential changes in configuration.

Impact on Code	
Code Section	Potential Impact
BSC Section K	Change to wording in Section 3 to reflect when certain types of non-standard configuration require ISG approval. Make it more explicit that a change in configuration may affect BM Unit registration.

Impact on Code Subsidiary Documents	
CSD	Potential Impact
BSCP15	Change to make it more explicit that a change in configuration may affect BM Unit registration and what to do in those cases as adding steps for checking associated aggregation rules.

Impact on Core Industry Documents and other documents	
Document	Potential Impact
Distribution Code	Development of the solution will consider whether or not changes are required to the Distribution Code so that the codes remain compatible. Similarly, the Workgroup will consider if there are any technical constraints that may mean the solution is not viable.
Grid Code	Development of the solution will consider whether or not changes are required to the Distribution Code so that the codes remain compatible. Similarly, the Workgroup will consider if there are any technical constraints that may mean the solution is not viable.

Impact on a Significant Code Review (SCR) or other significant industry change projects
<p>We do not believe this Modification will impact the two open SCRs:</p> <ul style="list-style-type: none"> <li>• Electricity Settlement Reform</li> <li>• Targeted Charging Review</li> </ul> <p>We request that this Modification be exempt from the Significant Code Review process. Ofgem was notified that this Modification was raised on 6 December 2017 and that it is ELEXON's view that this Modification should be a SCR Exempt Modification Proposal.</p>

## 6 Recommendations

We invite the Panel to:

- **AGREE** that P364 progresses to the Assessment Procedure;
- **AGREE** the proposed Assessment Procedure timetable;
- **AGREE** the proposed membership for the P364 Workgroup;
- **AGREE** the Workgroup's Terms of Reference;
- **AGREE** an initial view that P364 should be treated as a Self-Governance Modification;
- **Agree** that P364 and P363 should be progressed alongside each other, including a combined Workgroup; and
- **NOTE** that ELEXON will issue the P364 Draft Modification Report (including the draft BSC legal text) for a 10 Working Day consultation and will present the results to the Panel at its meeting on 13 Sep 18.

## Appendix 1: Examples of BM Unit configurations

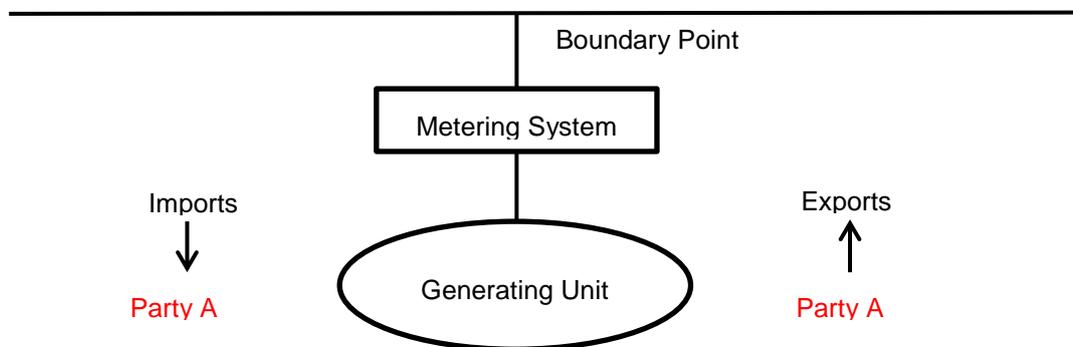
### Standard BM Unit Configurations

In these examples, it is assumed (unless otherwise stated) that the Plant and Apparatus in the scenario is Licensable Generating Plant as per BSC Section 1.2.2(d)

#### BM Unit to be registered by a single BSC Party responsible for both import and export

Where a single Party (Party A) registers a Plant and Apparatus as a single BM Unit, and it meets the requirements of BSC Section K3.1.4, it is a standard BM Unit. For a new single Generating Unit most BSC Parties register one BM Unit for both the Imports to and Exports from the Plant and Apparatus relating to the Generating Unit as per BSC Section K3.1.3.

Licensable Generating Plants that are directly connected to the System have to register both Import to and Export from Plant and Apparatus in CMRS for use in Central Volume CVA as per BSC Section 3.1.2(d).

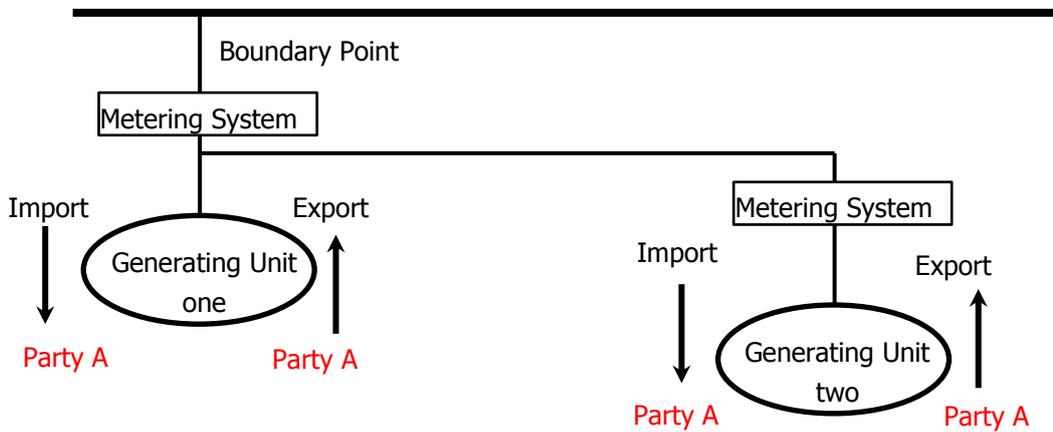


#### BM Units sharing a single Boundary Point<sup>6</sup> – one Party

Where two Generating Units consist of Plant and Apparatus which, in their own right, would be classed as standard BM Units, and the Registrant for each is the same Party, then each shall be considered as a standard BM Unit. BSC Section K3.1.5(d) requires that where a Party registers Plant and Apparatus at a Boundary Point where another Party is responsible for Imports and Exports at that Boundary Point, then approval for registration is required.

Therefore, where two Plant and Apparatus share a Boundary Point but the Import and Export is not the responsibility of another Party, then approval is not required in accordance with BSC Section K3.1.6 and they may each be registered as standard BM Units in the normal way.

<sup>6</sup> Boundary Point is a point at which any Plant or Apparatus not forming part of the Total System is connected to the Total System.

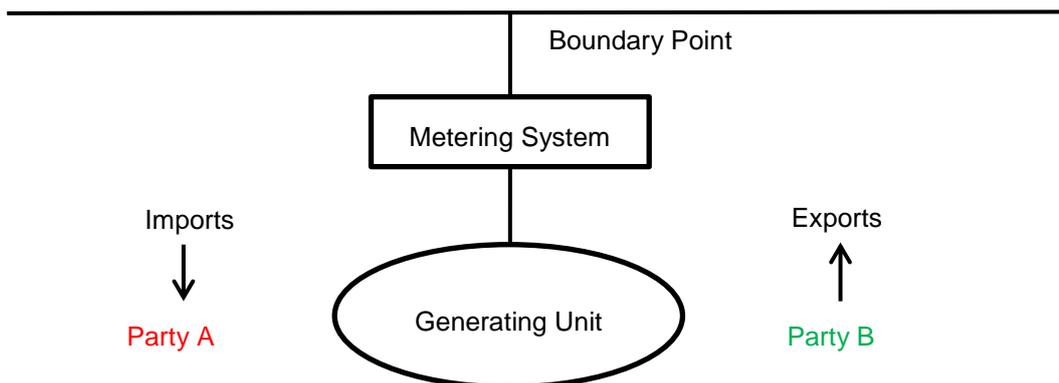


## Non-Standard BM Unit Configuration

### BM Unit to be registered by two BSC Parties – one for Import and one for Export

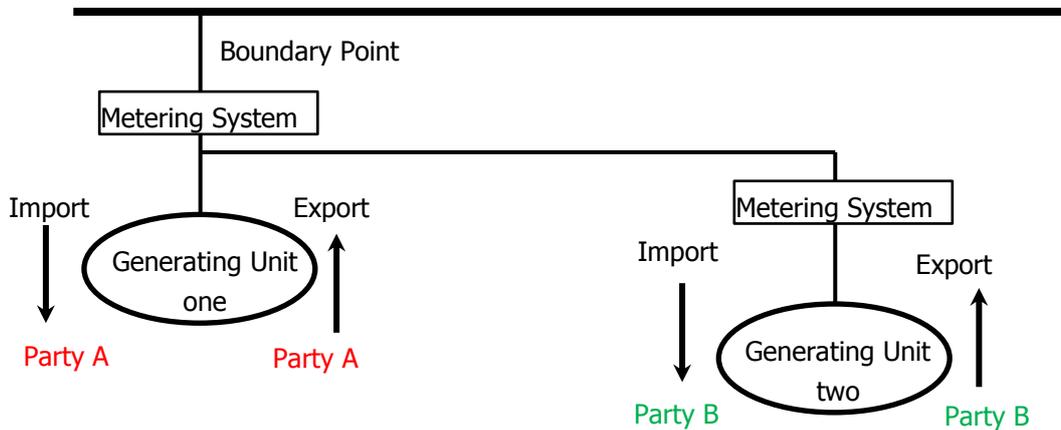
BSC Section K3.1.3 states that Import to and Export from a Plant and Apparatus may only be registered as separate BM Units if different Parties are responsible for each. As such, a single Party must have only one BM Unit for that Plant and apparatus if they wish to be responsible for both the Import to and Export from that Plant and Apparatus. The only exemption to this is if Import is registered in Supplier volume Allocation (SVA) and Export in CVA for Exemptable Generating Plant.

If the Import to and Export from a Plant and Apparatus are to be accounted for with separate BM Units, then the BSC requires that they must each be registered by different Parties i.e. Party A registers a BM Unit associated with the Import flows and Party B registers a BM Unit associated with the Export flows. They will also both be classed as non-standard BM Units (and are therefore subject to ISG approval) even if the Plant and Apparatus would otherwise be classed as a standard BM Unit.



### BM Units sharing a single boundary Point – two Parties

Where two Generating Units that each consist of Plant and Apparatus which, in their own right, would be classed as a standard BM Unit, and the Registrant for each is a different Party, then each must be registered as a non-standard BM Unit (and are therefore subject to ISG approval). As with standard BM Units sharing a single boundary point; all BM Unit Registration requirements need to be completed including the Aggregation Rules for both BM Units correctly allocating the Metered Volumes to the correct BM Units.

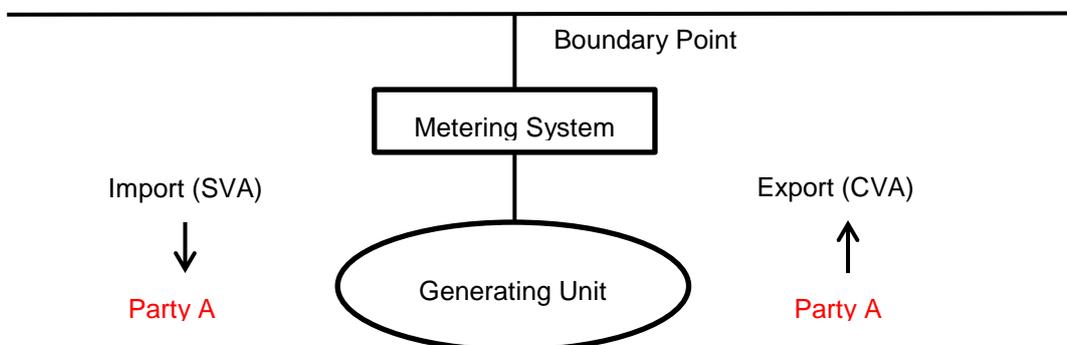


## Emexmptable Generating Plant

The BSC does not allow for a single Party to register the Import and Export flows as separate BM Units (as explained above) unless the Import is registered in SVA (and therefore included in a Supplier Base BM Unit) and the Export in CVA as a standard BM Unit. This is only permitted for Exemptable Generating Plant as per BSC Section K 1.2.2(c).

BSC Section K2.1.1 requires that a Boundary Point Metering System shall be registered in CMRS where the Metering Equipment measures quantities of Imports to or Exports from a Licensable Generating Plant. Therefore, Exemptible Generating Plant does not have to be registered in CMRS. However, BSC Section K2.1.2 states that it may be registered in CMRS if the Metering Equipment measures quantities of Exports at the Site of an Exemptable Generating Plant.

BSC Section K2.1.4 states that a Metering System may not be registered in CMRS unless the requirements of BSC Section K2.1.1 or 2.1.2 are met. This is why, in this scenario the Export may be registered in CMRS, but the Import does not need to be. BSC Section K2.4.1 states that where a Boundary Point Metering system is not obliged to be registered in CMRS (the Import in this scenario) then the Metering System shall be registered in the Supplier Metering Registration System (SMRS). This therefore allows the Import to be registered in SMRS and the Export in CMRS by a single Party therefore allowing for a single Party to have two BM Units for a single Plant and Apparatus: one for Import and one for Export.



## Appendix 2: Glossary & References

### Acronyms

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

Acronym	
Acronym	Definition
BM	Balancing Mechanism
BSC	Balancing and Settlement Code
BSCCo	BSC Company
CCGT	Combined Cycle Gas Turbine
CDCA	Central Data Collection Agent
CMRS	Central Meter Registration Service
CRA	Central Registration Agent
CSD	Code Subsidiary Document
CVA	Central Volume Allocation
GSP	Grid Supply Point
ISG	Imbalance Settlement Group
NGET	National Grid Electricity Transmission – The Transmission Company
PPM	Power Park Module
SCR	Significant Code Review
SMRS	Supplier Meter Registration System
SVA	Supplier Volume Allocation
WD	Working Day

### 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
4	BSCP15 'BM Unit Registration'	<a href="https://www.elexon.co.uk/bsc-and-codes/bsc-related-documents/bscps/?show=all">https://www.elexon.co.uk/bsc-and-codes/bsc-related-documents/bscps/?show=all</a>
4	Link to ISG Parent Page on BSC Website	<a href="https://www.elexon.co.uk/group/imbalance-settlement-group-isg/">https://www.elexon.co.uk/group/imbalance-settlement-group-isg/</a>
5	ELEXON's review of Metering Dispensation and non-Standard BM Units	<a href="https://www.elexon.co.uk/meeting/bsc-panel-263/?from_url=https://www.elexon.co.uk/events-calendar-item/bsc-panel-263/">https://www.elexon.co.uk/meeting/bsc-panel-263/?from_url=https://www.elexon.co.uk/events-calendar-item/bsc-panel-263/</a>

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External Links		
Page(s)	Description	URL
7	P364 'Changes to BSC Section K following the review of non-standard BM Units'	<a href="https://www.elexon.co.uk/mod-proposal/p364/">https://www.elexon.co.uk/mod-proposal/p364/</a>
8	P363 'Simplifying the non-standard BM Unit process'	<a href="https://www.elexon.co.uk/mod-proposal/p363/">https://www.elexon.co.uk/mod-proposal/p363/</a>

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