

ELEXON WEBINAR: INTRODUCTION OF SEASONAL ZONAL TRANSMISSION LOSSES – QUESTIONS AND ANSWERS

Below are the questions and answers that were covered during the ELEXON webinar on the introduction of seasonal transmission losses.

Can you confirm the BMUs are assumed to be transmission connected in the worked examples?

Yes, I confirm the T_ BMUs in the worked example for Generators were Transmission connected.

If a Supplier contracts with a Northern Generator will they now have to contract for slightly more to avoid imbalance charges?

The amount a Supplier has to contract for in order to avoid imbalance charges will change, depending on where the Supplier is located. Generally speaking a Supplier in the South (where TLF values are higher) will have to contract for more, and a Supplier in the North (where TLF values are lower) will have to contract for less. But the location of the Generator from whom they buy the power does not have any impact on how much the Supplier has to buy. A Northern generator will have to generate more to meet their contract with the Supplier, or face imbalance charges themselves, but that does not impact the Supplier.

Will there be attempts to forecast TLMs for 3-5 years forward?

ELEXON is not forecasting TLMs. ETLMOs can be used to eventually forecast average seasonal TLMs for the following BSC Year but bear in mind the ETLMOs are based on historic metered data; they are not a forecast of what metered data will be in the coming year.

If I wanted to do an assessment comparing previous P350 vs post P350 implementation, what information within the folder you have published would you recommend me to use?

TLFA-I013 and TLFA-I014 are the best files to use if you want to compare previous and post implementation.

My understanding was that TLF's would be on a GSP group basis; however the documents you have on the website seem to indicate that it will actually be on a BMU level.

We do publish a TLF for each BM Unit; but all BM Units in a given GSP Group have the same TLF values.

How is battery storage treated?

It will depend on the net position, at the end of the Settlement Period, of the Trading Unit the storage belongs to.

Can you confirm if the TLFA-I009 (TLF adjustments) apply to both off-taking & delivery BMU's?

There is only one TLF for each Zone and each Season (in the TLFA-I009) but there are two TLMs, one for Delivering one for Offtaking, for each Zone and each Season. There is only one TLF adjustment for each Season contained in the TLFA-I012 to remove an unintended anomaly in the strike price adjustment under the CFD and this taken into account in the TLFs in the TLFA-I009

Will storage that can deliver and take electricity be double charged? What is the impact of TLFs to BMUs and demand?

There is no double charge. It will depend on the net position, at the end of the Settlement Period, of the Trading Unit the storage belongs to. The impact of TLFs on Delivering and Offtaking BMUs depends on their geographic location

Please can you explain what BMUs are?

A BMU stands for a Balancing Mechanism Unit. It is the lowest level of unit which can participate in the Balancing Mechanism. This is for example a power station. More information can be found on the simple guides on our website.

Implications of this have difficulty with a suppliers REGO/FMD obligations, any advice?

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This question should probably be addressed to Ofgem.

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How is the North Scotland supplier example impacted if the GSP group as a whole is net exporting?

If the net status flips from import to export all the BMUs belonging to the DEFAULT_P Trading Unit will have Delivering TLMs applied to their Metered Volume instead of the Offtaking one.

Further to my transmission question, is there a resource available that shows worked examples of how P350 will affect settlement from embedded parties perspective (i.e. includes GSPGCF adjustments)?

Supplier Base BMU Metered Volumes already include GCFs. The TLM that will be applied to an embedded BMU depends on the Production/Consumption status of the Trading Unit that BMU belongs to.

Are TLFs time dependant?

The TLFs are seasonal and do not change across a Season.

If operated properly, storage could reduce congestion and therefore the part of losses that are dependent on congestion, are there any provisions to take this into account?

P350 only takes into account losses related to the transmission of the energy, not the losses dependant on congestions.

So businesses in the north could be negatively impacted?

If you are a generator you can be negatively impacted.