

---

<b>Paper</b>	Modification Consultation
<b>Date</b>	1 February 2002
<b>Paper Title</b>	Urgent Modification Proposal P67 'Facilitation of further consolidation options for Licence Exempt Generators (DTI Consolidation Working Group 'Option 4')'
<b>Purpose of Paper</b>	For Party Consultation
<b>Synopsis</b>	This paper presents the progress made on Urgent Modification Proposal P67 and requests that Parties undertake a consultation on the questionnaire appended to this paper. It is intended that the results of consultation will be considered by the P67 Modification Group prior to the final draft Modification Report being presented to the Panel on 14 February 2002. Responses to this consultation are required by <b>1pm on 7 February 2002</b> .

---

## **1 Introduction**

- 1.1 Modification Proposal P67 'Facilitation of further consolidation options for Licence Exempt Generators (DTI Consolidation Working Group 'Option 4')' (P67) was submitted on 22 January 2002 by Powergen. P67 seeks to modify the Balancing and Settlement Code (the Code) so that Suppliers who choose to utilise the Shared SVA Meter Arrangement will have the option of using an additional two Allocation Methods (referred to as Option 4b). This is consistent with the requirements of the Consolidation Working Group (CWG) as documented in the Interim Report to the DTI of the Consolidation Working Group (January 2002).
- 1.2 On 23 January 2002, the Authority consented to the urgent treatment of P67; hence P67 is being progressed as an Urgent Modification Proposal, in accordance with Section F, 2.9 of the Code. P67 is being progressed by the P67 Modification Group (the Group). The Group is made up of relevant members from the P55 Modification Group and the CWG.
- 1.3 On 24 January 2002, ELEXON advised Parties that there would be a requirement in due course for them to undertake a consultation and Detailed Level Impact Assessment (DLIA). In addition, Party Agents were advised that they would be requested to undertake a parallel DLIA. This was issued via Change Proposal Circular CPC00105.
- 1.4 In addition to this consultation paper, the following documents form part of this consultation:
- Draft Urgent Modification Report (012MMU);
  - Requirements Specification (001MBR); and
  - Questionnaire.
- This consultation paper should therefore be read in parallel with the above documents.
- 1.5 Responses to this consultation should be provided to [Modifications@elexon.co.uk](mailto:Modifications@elexon.co.uk) by **1pm on 7 February 2002**. Any queries relating to this consultation should be referred to the ELEXON help desk on 0207 380 4222.

## **2 Overview of the Modification Proposal**

- 2.1 The Shared SVA Meter Arrangement rules are specified in Annex S-2 of the Code. P67 seeks to amend these rules to introduce Option 4b; thereby resulting in two additional Allocation Methods being available for utilisation by Half Hourly Data Collectors.
- 2.2 A key feature of P67 is that it will introduce two further Allocation Methods which will enable the splitting of the predictable from the unpredictable energy. P67 is limited to Suppliers and also to those Half Hourly Data Collectors who have undergone additional re-certification.
- 2.3 P67 is an optional mechanism and therefore only impacts those Suppliers and Half Hourly Data Collectors who choose to utilise the additional Allocation Methods required by P67. However, there is an impact on the Public Distribution System Operators who will continue to be responsible for allocating Metering System Identifiers (MSIDs), maintaining a record of the association between them and ensuring no duplicates exist. In addition, there may be an impact on Supplier Meter Registration Agents (SMRAs) who will record and maintain registration details.
- 2.4 Although, P67 is intended to cover the generation (ie. Export) side it is believed that the additional Allocation Methods can equally apply to demand side (ie. Import) and the changes drafted cover both elements.
- 2.4 It should be noted that the methodology will also be available to all half hourly sites registered in SVA, not just Exemptable Generating Plant.

## **3 Impacts on Code, Code Subsidiary Documents, Core Industry Documents and other Documents**

- 3.1 P67 will impact a number of Code Sections, a number of Code Subsidiary Documents, a Core Industry Document and another ELEXON document.
- 3.2 Sections J, K, Annex S-2, Annex X-1 and Annex X-2, X-6 and X-7 of the Code are impacted by P67. The legal text for these Section changes is included in the draft Urgent Modification Report.
- 3.3 There are a number of the legal text paragraphs that are bracketed and in addition two proposals are offered for paragraph 2.5.9 of Section K. Parties are requested to provide comments on the bracketed legal text and also as to what option they would prefer for the legal text contained in paragraph 2.5.9.
- 3.4 The following Code Subsidiary Documents are impacted by P67:
  - BSCP550 'Shared SVA Meter Arrangement of Half Hourly Import and Export Active Energy';
  - BSCP531 'Accreditation'; and
  - PSL130 'Half Hourly Data Collection'.
- 3.5 Changes will be required to the Self Accreditation Certification Return (SACR) therefore any Half Hourly Data Collector wishing to provide one or both additional Allocation Methods will be required to undertake addition re-certification.
- 3.6 The changes to the Code Subsidiary Documents will be issued for DLIA in parallel with this consultation exercise to Parties and Party Agents. In addition the changes to the SACR and the associated Guidance Note will be issued for information in the DLIA.

- 3.7 Changes are required to the MRA to support the two additional Allocation Methods required by P67. MRA CP99 'Removal of the restriction to allow only ONE associated Pseudo Metering Point' has therefore been raised by ELEXON to address these requirements. The MRASCo are progressing these changes utilising the emergency process, in accordance with paragraph 9.26 of the MRA, following agreement by the MRA Executive Committee on 29 January 2002.

#### **4 Impacts on Parties and Party Agents**

- 4.1 Those Suppliers wishing to utilise P67 on 1 April 2002 will be required to have had their Half Hourly Data Collector re-certified prior to this date. Changes have been drafted to the Self Accreditation Certification Requirement (SACR) and the associated Guidance Note to enable this additional re-certification. Therefore any Supplier and Half Hourly Data Collector choosing to utilise the two new additional Allocation Methods should notify the Accreditation Administrator on [Accreditation.Administrator@elexon.co.uk](mailto:Accreditation.Administrator@elexon.co.uk) as soon as possible and no later than 7 February 2002.

#### **5 Implementation Approach**

- 5.1 It is intended that P67 will be implemented with an Implementation Date of 8 March 2002. This date is the latest date by which those Suppliers choosing to utilise these additional Allocation Methods, will need to request the creation of the additional Metering System Identifiers from the Public Distribution System Operator in readiness for the Non Fossil Purchasing Agency (NFPA) contracts which become effective on 1 April 2002.

#### **6 Materiality of Not Implementing P67**

- 6.1 The Group at its meeting on 30 January 2002 considered the materiality of not implementing P67 and concluded that the trading arrangements as currently defined, would not allow those renewable generators to effectively utilise the Imbalance Settlement, on the basis that there was no means of splitting the predictable from the unpredictable energy across a number of Parties, where the Metering System was registered in the SMRS. The Group therefore agreed that P67 would remove this obstacle.

#### **7 Other Processes Considered by the Group**

- 7.1 The Group did consider that it was possible to introduce one or both of the additional Allocation Methods proposed for P67.
- 7.2 In addition the Group agreed that MVRNs could also be used as an alternative process.

#### **8 Modification Group Deliberations**

- 8.1 The Group at their meeting on 30 January 2002 considered P67 and the issues raised by the Panel and formulated this consultation. The Group also produced the Questionnaire, the Requirements Specification and the draft Urgent Modification Report.
- 8.2 In order to complete the Urgent Modification Procedure for P67, views are required on the questions contained in the questionnaire.