

## Terms of Reference for the Profiling Expert Group (PEG)

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### Overview or Purpose of Document:

This document presents the Terms of Reference (ToR) for the Profiling Expert Group. The PEG has been set up following a review of the profiling acceptance process and agreed by the Supplier Volume Allocation Group at its June Meeting (SVG76/07).

### Target Audience:

PEG, SVG

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# TERMS OF REFERENCE OF THE PROFILING EXPERT GROUP

## 1 Introduction

This document presents the Terms of Reference (ToR) for the Profiling Expert Group (PEG). The PEG has been set up following a review of the profiling acceptance process and the relevant agreement by the Supplier Volume Allocation Group at its SVG meeting (SVG76/07). The ToR define the objectives of the PEG, its membership, scope and (in section 7) Methods and Approach.

Capitalised terms not otherwise defined in the ToR shall have the same meanings as the same terms in the Balancing and Settlement Code.

## 2 Objectives of the PEG

The main objective of the PEG is to review the Technical Product Deliverables (TPDs) provided to BSCCo by the Profile Administrator (PrA) at the end of each November. The PEG will also review the Group Average Demand (GADs) data from which the TPDs are derived in order to define recommended contingency actions to be undertaken by the PrA on the identification of profiling data which produces results which do not appear to be calculated in accordance with the requirements of the relevant Service Description ("unsuitable" profiling data or deliverables).

The PEG may additionally be convened by the Chairman from time to time to review other Non Half Hourly data as requested by the SVG or the Panel.

The PEG shall continue until such time as it is dissolved by the Panel or the SVG.

## 3 Membership

The Chairman of the PEG shall be an employee of BSCCo and appointed as such by BSCCo from time to time. BSCCo may also appoint a temporary replacement Chairman in the event that the Chairman is unable to attend a meeting of the PEG. The Chairman shall be entitled to vote on any matters being considered by the PEG.

The PEG shall be constituted as a working group to assist the Panel or (as appropriate) the SVG. It is not a committee or sub-committee of the Panel or the SVG.

Membership shall be open to persons who are currently retained or employed by Suppliers and Distributors. The Authority and the PrA (including, in the latter case, its profiling sub-contractor) shall be entitled to attend the PEG but shall not vote.

The members of the PEG shall be appointed by the Panel or the SVG (as appropriate) upon recommendation by the Chairman. A PEG member shall cease to be a member of the PEG in the event that he/she resigns or is removed from membership by the Chairman where, in the Chairman's opinion or in the opinion of the Panel or the SVG, such member is unwilling or unable or it would be otherwise inappropriate for any reason for such member to carry out their duties or remain as a member of the PEG.

The Chairman shall endeavour (where practicable) to ensure that the membership of the PEG is reasonably balanced between Suppliers and Distributors. The PEG shall have no more than 10 members.

PEG members shall contribute as independent, impartial industry experts. PEG members shall not represent, and shall act without undue regard to, the interests of their respective employers or industry sectors or interests. An ability to maintain such independence and impartiality is essential for membership or continued membership of the PEG.

The Chairman of the PEG may from time to time, at the request of the PEG, invite external experts to provide advice to the PEG.

The Chairman shall appoint a Technical Secretary provided by BSCCo to perform the administration of the PEG, but who shall not be a member of the PEG (nor entitled to vote).

#### **4 Quorum, Alternates and Decision Making**

No business shall be transacted at any meeting of the PEG unless a quorum is present at the meeting. A quorum shall comprise at least 3 members. For the avoidance of doubt a meeting shall be quorate if the necessary members for a quorum are present in person at the meeting or, where the meeting takes place by telephone conference call, are present by telephone and can speak to and hear each other.

At any meeting of the PEG all matters to be decided shall be put to a vote of all members present. In deciding any matter, each member shall cast one vote. All matters shall be decided by majority vote of all members present and entitled to vote at the meeting. For the avoidance of doubt, abstentions shall not be classed as votes. In the event that the vote is evenly divided, the Chairman shall have a second and casting vote.

Members of the PEG shall, subject to the approval of the Chairman being first obtained, be entitled to appoint an alternate in the event that such PEG member fails or is unable to attend a meeting.

#### **5 Confidentiality**

PEG members acknowledge that in carrying out their duties and functions as a PEG member they may become aware of or be in receipt of confidential information. For the avoidance of doubt, each member shall not disclose any confidential information received in their capacity as a PEG member to any person except in accordance with any legal requirement or where properly and appropriately agreed by the Chairman.

#### **6 Scope**

The PEG shall make recommendations on the suitability of the profiling deliverables received from the PrA for use in Settlement.

The PEG shall recommend the defined contingency actions which should be undertaken in the event that any profiling deliverables are considered to be unsuitable and shall report on the matter and the recommended contingency actions to the Panel or the SVG (as appropriate).

The PEG shall identify any recommended supporting information which should be provided by the PrA as part of the acceptance process as described in Item 7 below.

The PEG shall not review or consider any issues relating to Profile Class definitions, profiling calculation methodology or the application of the profiling data within Settlement unless specifically directed to do so by the Panel or SVG (as appropriate).

The PEG may from time to time be requested by the Panel or SVG (as appropriate) to review other Non Half Hourly data for use in Settlement, e.g. Average Fractions of Yearly Consumption (AFYCs).

## **7 Methods and Approach**

The approach that has been defined in relation to the PEG is as follows and as further referred to in BSCP509:

- On receipt of the Group Average Demands (GADS) in mid-October of each year, subject to limited checking of format and for completeness by BSCCo, the 10 sets of GADs (365 \* 48 matrices, one of each Profile Class with Classes 2 and 4 split by switched and base load) shall be sent by BSCCo to the PEG members. BSCCo shall also at the same time send the latest population data (frequency distribution data) for each GSP and Profile Class provided to BSCCo by the Non Half-Hourly Data Aggregator (NHHDA). This will allow the PEG members to review the likely individual profiles by averaging by season and day-type and to assess them in aggregate by building up to each Grid Supply Point (GSP) Group level using the population data provided and correcting for volume;
- By mid-November in each year the PEG will meet to discuss the results of the members' reviews and to consider additional documentation data on sample sizes and precision that will be made available by the PrA. If at this stage any Profile Class or part of the Profile Class data is considered by the PEG to be unsuitable for the calculation of TPDs then contingency actions (see below) will be defined and recommended by the PEG for production of the final TPDs. The results and recommendations of the PEG will be presented for consideration and (if appropriate) approval to the next Panel or SVG (as appropriate) meeting following the relevant PEG meeting.
- At the beginning of each December, on receipt of the TPDs, BSCCo shall undertake the necessary checks for completeness and format and then forward the TPDs to the PEG members for assessment as to correctness given the previous relevant consideration of the PEG and of (as appropriate) the Panel or the SVG. BSCCo shall complete its standard checks on the data to ensure that the TPDs have been calculated correctly. If BSCCo or the PEG members identify issues with the format, completeness or accuracy of the calculation of the TDS, the PrA will correct the TPDs where they are found to be deficient.

## **8 Contingency Actions**

The recommended contingency action in the short term for replacement of profiling data that is identified as being unsuitable by the PEG shall be to use the last available valid set of profile coefficients that were used in Settlement. In practice this is likely to be the existing set in Settlement at the time of review. However, if the data is for a moveable Bank Holiday, e.g. Easter, then the recommended data may be the most appropriate set from the previous year or years. This will also be the recommended defined contingency action should the Panel or the SVG (as appropriate) not approve the profiling data.

The contingency actions set out are based on the consideration of the suitability of the profiling data and not on the correctness of the TPDs in terms of format, completeness or accuracy of

calculation. The contingency action for the latter types of 'errors' will be the correction of the identified defect by the PrA within the existing PrA contractual timescales.

In the longer term alternative contingency actions such as the pooling of data across years may need to be considered. However, the appropriate methodology for this would require further analysis which may be undertaken in due course by the PEG if requested by the Panel or the SVG (as appropriate). Additionally, in the longer term efficiencies in data collection and methodology may lead to data being updated on a seasonal basis (data from year – 1 instead of year - 2).

## **9 Reporting**

The PEG shall deliver a paper to the Panel or the SVG (as appropriate) following its meeting in each November recommending the defined contingency actions identified by the PEG. This paper may be delivered by BSCCo on behalf of the PEG.

At the end of each January the TPDs will be presented to the Panel or the SVG (as appropriate) for approval with all available supporting information from the PEG, and the PrA and, subject to approval by the Panel or the SVG (as appropriate), BSCCo shall raise the relevant Market Domain Data (MDD) change request and load TPDs into Supplier Volume Allocation Agent (SVAA) systems.

## **10 Frequency**

The intent is to review and resolve the matters or issues at a single meeting of the PEG. However, provision will be made for further meetings if the PEG deems that resolution of the matters or issues require further discussion.

## **11 Communications**

### ***11.1 Operational Communications***

Where the PEG is overseeing defined BSC processes, any communications to BSC Parties, Party Agents or other bodies will be defined either in the BSC or in Code Subsidiary Documents (most often BSCPs) and may take the form of consultations, circular notifications, e-mails or letters etc.

Where the PEG deals with matters which do not have explicitly defined communication steps set out in the BSC but do fall clearly within its explicitly defined areas of responsibility, powers and functions the PEG will communicate with BSC Parties, Party Agents or other bodies via e-mails and letters.

In both cases such communications may be delegated to ELEXON by the PEG unless otherwise prohibited by the BSC.

Such communications as outlined above remain the responsibility of the PEG.

### ***11.2 Strategic Communications and Other Communications***

From time to time, matters may arise that relate to wider industry issues. Such matters may impact the PEG's areas of responsibility either directly or indirectly but will also have impacts that arise out with the BSC.

Where the PEG has views on such matters these views should be relayed to the SVG such that the SVG may, at its discretion, relay the views to the Panel.

It is possible that the views of the PEG do not align with the views of the SVG itself. To ensure that the views of the PEG are not lost, where matters are relayed to the SVG, these will be recorded in the relevant meeting materials or minutes as appropriate. Further, where the SVG decides to relay its own views to the Panel, it should reference the views of the PEG.

Where the Panel issues communications to an industry participant, body or government department based on matters brought to its attention by the PEG via the SVG (or receives responses to such communications), the Panel will, unless it agrees otherwise on the basis of confidentiality, provide a copy of such communications or responses to the SVG and the PEG.

### **11.3 Time-Bound Communications**

Where the PEG identifies a strategic or other matter (as outlined in Section 11.2) which it wishes to bring to the SVG's attention, and where that matter is such that the value of so doing would be eroded if it is not brought to the SVG's attention before the next scheduled SVG meeting, the Chairman will relay the matter to the SVG Chairman (or, in their absence, the SVG Vice Chairman) directly.

The SVG Chairman (or, in their absence, the SVG Vice Chairman) will then determine whether to:

- i) seek the views of SVG Members and their ex-committee approval to relay the views to the Panel; or
- ii) relay the views of the PEG to the Panel so as to meet the timescales required and circulate a copy of these views to SVG Members<sup>1</sup> for information.

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<sup>1</sup> Including those regular attendees (if appointed) who are entitled to attend the SVG in accordance with the SVG Terms of Reference (i.e. the Panel Sponsor, the representative of the Authority, the representative of the Transmission Company and MRASCo).