

EMR session

Metering arrangements

Baseline DSR within the delivery year to verify delivery

18th September 2013

Attendees (as per sign-in sheet)

Lesley Potts (Chair) – PwC

Belinda Littleton – PwC

Mark Crowley – PwC

Mark Symes- Green Frog Power

Mo Rezvani- SSE

Deirdre Powers- SSE

Elaine Calvert- Water Wye Associates

Herb Healy- EnerNOC

Joe Warren- Open Energi

Arthur Probert – Energy Services Partnership Limited

Jeremy Taylor- Green Frog Power

Lawrence Jones- Elexon

Marina Hod – KiWi Power

Stuart Noble – Scottish Power

Grazina MacDonald – Scottish Power

Sara Bell – UK Demand Response Association

Dale Sharpe – DECC

Alastair Martin – Flexitricity Ltd

Dan Jerwood- GDF Suez

Jane Ellaway- DECC

Steve Wilkin – Elexon

Roisin Quinn – National Grid

Ian Nicholas – National Grid

Elaine O’Connell – DECC

Peter Houghton – Tata Chemicals

Paul Jones – E.ON

1. Metering Arrangement – led by Jane at DECC

Metering introduction

- Necessary to have this discussion because Elexon don’t see the granularity of data that DECC had hoped for
- Two barriers needed to be overcome- data issues, and metering at BSC level is insufficient to monitor effectively
 - o Elexon don’t see anything below supplier account level, and data below that level therefore cannot be used to monitor performance
- 4 potential pathways for metering; which ones are used are dependent on the outcome of this consultation
 - o BSC direct from data collector
 - o Bespoke metering by provider
 - o Additional BMUs
 - o Existing STOR metering
- DECC confirmed their intention is to consult on all 4 approaches
 - o Option one is DECC’s preferred approach
- Industry participants questioned whether, in the process of aggregating resources, will the sites all have to be on the same approach?
 - o DECC confirmed that everything within one CMU should be the same; prospective DSR should not be mixed with existing DSR etc. and believed that it would not be sensible to mix metering arrangements
 - o Industry noted CUSC and grid code metering methods and limits. Other participants considered that different meter types should not be mixed. For specific isolated generation, using the example of ROCs, additional meters could be included in order to measure those specific points
 - o There are consistency issues across meters where some meter data might go to Elexon while other data goes to other parties. Therefore it may become complex where multiple parties need to be consulted in order to get full data for a site.
- Industry participants asked what the “other meters on site” clause referred to in the slides

- DECC responded that this referred to the situation where there were multiple meters on site, where some are fiscal and others are non-fiscal meters and there is potential for sites to game given particular configurations
- A question was asked about the contract length of these arrangements
 - Issue relating to one year contracts was raised, as all costs would have to be recouped within that year. This would impact costs. There was a wider point that DSR and generator mapping should be undertaken to align them.
 - Participants agreed that metering should be dependent on contract length
 - DECC stated that they were aware of issues with multi-year contracts, etc. but the issue was not up for discussion at this meeting

BSC direct from data collector

- In this situation, the site passes individual meter data straight to Elexon, which shortcuts the overall process
- Industry participants noted that they believe this should be done regardless of what happens with other 3 pathways
- DECC stated that the onus is on the meter provider to ensure the metering is appropriate for their system, rather than any other party
- Industry participants noted that there are two routes for CM metering data to go. In some circumstances the data provider can take that data, however, may not always occur. Where data cannot go through the settlement process, the data collector, the MOP and other parties will need alternatives
- Many industrial and commercial customers see imbalance directly (dependent on contract) through cash out. This may change and has impacts on the penalty regime as CM develops. Given sufficient notice, the supplier can include it within contracts
- Industry participants questioned who would be liable for data interruption
 - DECC responded that it would depend on the situation
- While it is up to the data provider in the first instance to provide appropriate metering. Under the BSC, if there is an issue eg comms break in the metering, there are solutions for metering estimations. For export it is estimated at zero. For demand it is estimated at previous demand. This, as current, will impact the reconciliation process.
 - Reconciliation timing was a concern for industry participants as as they understand it at present reconciliation must occur within year for tax purposes.
 - Industry participants expressed concern that adding another party to the process would further complicate the existing reconciliation process
- Industry participants asked what the granularity was for the data? If the stress event is only part of a half hour, does it apply for the whole of that half hour? If not, how does half hourly data from stress become more granular to apply it to that stress event period?
 - DECC confirmed it was half hourly
- NHH customers are not settled on HH basis so even where smart meters are installed for those NHH customers, Elexon does not see that data
- Industry participants questioned whether there would be an additional cost associated with this approach
 - DECC responded that Elexon does not currently have this data, and therefore there will be an obligation on certain parties to start collecting this data
 - There is an expectation that domestic customers will get involved

Bespoke metering by provider

- Particularly useful for complicated onsite DSR
 - This would be put in by the onsite provider, with the data then provided to Elexon
- There are issues regarding the use of non-BSC data; e.g. making sure the data collection is accurate

Additional BMUs

- Can be particularly useful for large embedded generators
 - At the moment it is considered a relatively expensive approach
- DECC clarified that there is nothing in the system right now that precludes providers from participating in this approach
- Industry participants queried as to whether there is a de minimis for BMUs? Industry participants

considered that provisions should be included to ensure that the MPAN attached to that BMU were the correct MPANs. Currently there is nothing stopping a supplier from splitting MPANs into different buckets.

Existing STOR metering

- Industry participants questioned whether other existing metering could be considered

2. Baseline DSR within the delivery year to verify delivery – led by Jane at DECC

- Industry participants considered the concept of baseline, and queried why you only look back when there is a stress event
 - o Concern regarding mismatch of Baseline being a rolling continuous measure, that the baseline would not capture a change in capacity availability. Noted that spot testing is on an ex-ante basis for DSR, which would allay the fear of generators that risk would be increased if DSR is tested but then is removed from the system.
- Industry participants raised concerns around the x and y averages and the differences to the baseline. Once a CMW is signalled the baseline is frozen. So industry considered that once a CMW is given, for the purposes of that event, there is no ability to modify the baseline. The obligation is load following. Industry need to manage load following obligation with seasonality.
- Industry participants asked why you look back at a year ago in calculating baseline
 - o DECC and NG responded that the year ahead adjustment was brought in to help manage changes. There are two reasons for the current year approach: first of all, it is too costly to look at individual contracts; and secondly, it goes back a year as demand can change significantly during shoulder months.
 - The baseline attempts to capture equivalent days. Participants were concerned that last year has little relevance, although others considered average representative samples are important
 - Industry participants raised concern that in looking back at the equivalent day a year ago, factors such as different weather conditions would mean it is not sensible to compare the two dates
 - While prior year may be relevant to temperature, it may not be relevant to the physical/contractual construction of the DSR.
 - NG raised the point that the sample size needs to be considered in order to come up with an accurate baseline. The sought participant feedback as to the appropriate number of days and when those days should be taken from