



CfD Contract Workshop: Metering and Metered Output

21 August 2013



Metering Related Clauses

- **Clause 3: Conditions Precedent**
 - Sets out minimum BSC technical metering and IT system requirements and procedures
- **Clause 6: Metered Output**
 - Outlines calculation for eligible metered output
- **Clause 17: Metering Undertaking**
 - Ongoing requirements set out in CPs
 - Details access and testing rights of the CfD CounterParty
- **Clause 11: Billing and Payments/Clause 29: Termination**
 - CfD Counterparty right to withhold or suspend payment for non-compliance with Clause 17
 - CfD Counterparty right to terminate an uncured non-compliance event.
- **Clause 37: Metering Disputes**
 - Data disputes to follow process outlined in Section W of BSC

Clause 3: Conditions Precedent



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- Existing BSC systems and procedures used to determine metered output
 - Input Electricity automatically deducted at BSC boundary point
 - Adjustment for electricity losses
- Conditions Precedent: Part B - Further Conditions Precedent (Sections G-I)
 - Metering and IT systems should be compliant with BSC Section K and L
 - Metering system should be registered through the corresponding BSC process
 - Transmission connected – CRMS
 - Distribution connected – CRMS or SRMS
 - Embedded – SMRS
 - Metering equipment accurately measures all input and output electricity associated with generation.
 - Electrical schematic diagram outlining metering points associated with CfD assets.

Clause 6: Metered Output



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Metered Output:

- Defined as “...*the metered output of the Facility in a [Settlement Period][Settlement Hour], as calculated in accordance with Clause 6 of the CfD Contract*”
- Difference payments are made only in respect of this “Metered Output”.
- Metered output calculation:
 - Two difference classes of generation technology:
 - Renewable Generators (i.e. Solar, Offshore/Onshore Wind)
 - Loss Adjusted Metered Output
 - Variable Renewable (i.e. Fuelled) Generators (i.e. ACT, AD, EfW)
 - Loss Adjusted Metered Output x Renewable Qualifying Multiplier
- Consistent approach for estimated lost adjusted metered output in accordance with BSC Procedures 03 and 502



Clause 6 Cont. : **Renewable Qualifying Multiplier (RQM)**

- Ratio used to determine the proportion of “eligible” metered output for Facilities using a Fuel with Variable Renewable Content
 - Closely linked to the results of regular FMS testing
- Three key data provisions used in the calculation of RQM:
 1. General rule: 12 week historical data applied retrospectively
 - Example: fuel data verified in May used to derive RQM in July.
 2. Adjusted value used for RQM calculation where fuel testing results is completed
 3. Use of a base (generic) RQM value where historical data is not available
 - Example: the initial 12 weeks of generation
- Where a fuel sample process has been undertaken for multiple settlement periods/hours, an aggregated RQM would apply equally to all settlement periods/hours
 - Example: During a period of non-compliance where payments have been suspended (i.e. 3 months of generation would have the same RQM applied).

Clause 17: Metering Undertaking



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Ongoing compliance with technical metering and metered output requirements set out in Conditions Precedent

Right of Access

- Generator should allow access to the CfD CounterParty (or its agent) to inspect the:
 - Operations of the Facility; and
 - Relevant Metering Equipment

Testing of Meters

- Generator should allow the CfD Counterparty (or its agent) to:
 - Read and verify metered data
 - Inspect and conduct tests on the Relevant Metering Equipment

Questions



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- Are generators comfortable with the approach set out to derive metered output (Clause 6) for difference payment purposes?
 - If no: what could be revised or clarified in the contract?
- Will generators be able to adequately (to the satisfaction of the CfD CounterParty) meet the initial requirements outlined in the Conditions Precedent clause on metering and metered output?
- Is Procedure 27 of the BSC the correct mechanism to remedy technical metering non-compliance events? Is 20 working days an appropriate amount of time?
- Are generators confident in their ongoing metering requirements as set out in Clause 17? Do generators have any concerns with the access and testing rights provided to the CfD Counterparty?
- Do generators agree that the application of an aggregated (averaged) RQM value should apply to non-compliance periods where payments are suspended?