

4.7 Issue Form

Issue Form - BSCP40/04	Issue Number 91 <i>(mandatory by BSCCo)</i>
Issue Title <i>(Mandatory by originator)</i> Registration and Settlement of Smart Export Guarantee (SEG) sites	
Issue Description <i>(Mandatory by originator)</i> <p>The Smart Export Guarantee (SEG) is an obligation set by the government for licensed electricity Suppliers to offer a tariff and make payment to small-scale low-carbon generators for exported electricity. The SEG came into force on 1 January 2020 and has introduced the need to register and settle export MPANs (Meter Point Administration Number), in accordance with the Balancing and Settlement Code (BSC) arrangements, for generators with capacity up to 5MW (Standard Licence Condition 57 Schedule A 2.1.3(b)). For these smaller scale exports sites there is no established market and therefore the arrangements for Non Half Hourly (NHH) sites introduced by BSC Modification P081 'Removal of the Requirement for Half Hourly Metering on Third Party Generators at Domestic Premises' have not been fully tested. These arrangements are described in BSC Procedure (BSCP) 504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS' and BSCP514 'SVA Meter Operations for Metering Systems Registered in SMRS'. There are a number of scenarios arising which question whether these existing processes established for the import market are fit for purpose for the export market and for the use of shared smart Meters.</p> <p>It is also not clear how a number of the processes set out in the BSCPs would work in practice where an export MPAN is created as a result of the SEG. For example, the new connections process would usually rely on the Meter Operator Agent (MOA) installing a Meter, but in the case of the SEG, the export MPAN will be 'added' to a smart Meter that has already been installed. The existence of the export MPAN and the associated Meter will be notified by the Supplier to the MOA, which is not usual practice. It is not evident that the processes set out in the BSC, such as the New Connections and Change of Supplier (CoS) processes, are fit for purpose to support SEG MPANs. This creates a risk that export energy for these MPANs will be settled incorrectly, or not at all, as the export MPANs may not be registered for inclusion in Settlement.</p> <p>A further example under the BSC is where Suppliers must appoint the same MOA for both import and export MPANs where there is shared Metering Equipment. This was introduced to avoid the complication and potential duplication that could arise from having separate MOAs serving one shared import/export Meter. However, these requirements were introduced when there was little or no domestic export market, and before the installation of smart Meters. Where the Supplier is not the import Supplier and as a result is unlikely to have an ongoing commercial contract with the existing import MOA, appointment of the MOA is proving time consuming and in some cases is not happening for a number of months. The BSC does not require the existing import MOA to either engage with the Supplier or to accept the request for appointment. MOAs are therefore rejecting appointments for export Meters. Without an appointed MOA, data relating to export energy cannot be processed into the Settlements process.</p>	

Justification for Examining Issue (*Mandatory by originator*)

The BSC should allow for export at smaller scale generation (i.e. below 30kW) to ensure that the SEG scheme is workable and therefore the issue with MOA appointment for SEG sites needs to be investigated. This market is only going to increase following the introduction of the SEG, the continued roll out of smart Meters capable of recording export, and as we move toward potential mandatory settlement of half hourly data for all consumers.

To ensure the efficient running of the BSC, the current processes should be re-examined for the relevance to this increasing export market.

Potential Solution(s) (*Optional by originator*)

- a) Re-examining the relevant procedures within BSCP504 and BSCP514 with a view to introducing changes that are more relevant to the efficient running of the export market.
- b) Elexon to provide guidance to Suppliers and Supplier agents to clarify the requirements for appointing and registering export Meters, below the capacity of 30kW, within the BSC.
- c) Consideration of BSC Modifications to enable the efficient running of the export market, e.g. to require MOAs to accept a Supplier's request for appointment of an export Meter for a premise or customer where they already serve that premise or customer as the import MOA, within an agreed number of days.

Proposer's Details**Name**

Martin Pearce/Paul Saker

Organisation

EDF

Email Address

martin.pearce@edfenergy.com/paul.saker@edfenergy.com

Telephone Number

0208 9352726

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