
P441 Workgroup Meeting 2 Summary

Summary

1. Meeting Objectives

The Chair welcomed attendees and presented the meeting objectives:

- Reconvene the [P441 'Creation of Complex Site Classes'](#)¹ Work Group (WG)
- Consider the P441 Terms of Reference c), d), e), f)
- Consider any potential solution(s) which may require further development for discussion at future meetings
- Confirm the next steps

2. Recap of Workgroup 1 and Actions

- 2.1 Elexon summarised the key points from the first P441 WG meeting, outlining the actions and their outcomes.
- 2.2 A new member asked Elexon to explain the WG Assessment Procedure and confirm what is expected from the members, to which Elexon explained the process and summarised that the WG exists to help the Proposer shape the final solution that is presented to the BSC Panel for recommendation.

3. Terms of Reference

- 3.1 Elexon reminded the WG what the P441 Terms of Reference (ToRs) were, noting that a few WG members were new to the BSC Modification process and the P441 Workgroup. Elexon noted that a new ToR had been included, to confirm whether P441 impacts on any of the industry codes.
- 3.2 **ToR (c) – What MSIDs need to be registered for each Complex Site Class?**
- 3.2.1 **Class 1 to 2 Complex Sites:** Elexon explained that these would formalise existing complex site arrangements for private networks on which some (but not all) consumers and/or generators require their own Metering System Identifiers (MSIDs), in order to allow access to the supply market. Examples of how to register this type of complex site already exist in BSC Procedure (BSCP) 502 section 4.9.3. Elexon provided a further illustrative example of such a complex site, including both Import and Export, and with multiple Boundary Points, which would qualify as Class 2 under P441.
- 3.2.2 **Class 3 and 4 Complex Sites:** Elexon explained that these would formalise existing complex site arrangements for sites where power flows that are recorded on Boundary Point meters are not entirely caused by demand or generation on the site; such as Feed through sites and network flows impacting Settlement Meters. Elexon noted that examples of how to register MSIDs for this type of arrangement are also included in BSCP502. Elexon recommended that no further examples or clarification are needed, as the existing BSCP502 examples are sufficient (those without embedded generation becoming examples of Class 3 Complex Sites, and those with embedded generation becoming examples of Class 4 Complex Sites).
- 3.2.3 **Class 5 Complex Sites:** these are intended for local energy schemes, in which (for Settlement purposes) demand and generation within a local area are netted, so that only the net Import or net Export data is submitted to Settlement. Elexon shared a diagram highlighting the [Issue 88](#)² Group's rationale for suggesting why Class 5 should only be used to net exempt supply (not licensed supply). Elexon explained that this type of complex site is currently in use (probably on a small scale), but there are currently no documented examples of how to register the Metering System Ids. It would therefore be appropriate for the Workgroup to identify and document appropriate option(s).
- 3.2.4 Elexon presented three options that could be used to register MSIDs for Class 5 Complex Sites, which were:
- a) **Option 1 'One Import MSID and one Export MSID':** This option will involve the Half Hourly Data Collectors (HHDCs) calculating and assigning the net Import or Export to their respective MSIDs, and individual

¹ <https://www.elexon.co.uk/mod-proposal/p441/>

² <https://www.elexon.co.uk/smg-issue/issue-88/>

customers and generators will not have their own MSIDs. Exelon noted that this option seems problematic as the individual customers would find it difficult to leave the schemes and it would likely negatively impact Licensed Distribution System Operators (LDSO) charges, but welcomed the views from WG members.

- b) **Option 2 'Customers and Generators retain their MSIDs'**: This option ensures that the individual customers and generators retain their own MSIDs, HHDC will calculate and allocate the net Import or Export between the Import and Export MSIDs. Exelon noted that this option could potentially allow for different customers having different Suppliers (but same HHDC). Further, Exelon asked the WG to consider how the HHDC would allocate the net volume between MSIDs e.g. should the method be prescribed in the BSC Procedure, or left to Supplier(s) and HHDC to agree.
- c) **Option 3 'Shared SVA Meter Arrangement'**: Exelon explained that this option combines option 1 and 2 using an arrangement where, in addition to each customer and generator having their MSIDs, an extra Import and Export MSID that operate as pseudo Secondary MSIDs will exist. The HHDC will allocate net Import and Export to the pseudo Secondary MSID and submit 0 (zero) volumes on the Primary MSIDs. Exelon noted that the Primary MSID would have zero volumes as long as they remain in the scheme.

There were mixed views from the WG members around the practicalities of each option. A member wanted to confirm how the recovery of Distribution Use of System (DUoS) Charges would be facilitated. Exelon explained that DUoS charging requirements were planned to be discussed during the meeting. However, Exelon were expecting attendance from LDSOs, but none attended. The DUoS Charge recovery mechanism was recommended for discussion at a future meeting where LDSOs are present.

Two members asked if the option 3 compared to option 2, provides less complexity to DCs and Suppliers in terms of allocating the net Import and Export, the use of pseudo MPANs introducing more complexity to the Use of System Charging, and if option 3 is subject to additional approval process. Exelon confirmed that option 3 avoids the need to apportion net Import or Export between MSIDs, which is a potentially complex aspect of option 2. Further, option 3 utilises an existing arrangement in BSCP550, which does not require Committee approval to be implemented.

The Proposer stated that they are currently using an option that is not the same as option 3, although it does make use of a Shared SVA Meter Arrangement. Exelon and the Proposer agreed to clarify this option, and include it as a new 'option 4' in the material for the next WG meeting.

A few members asked for clarity on if the options caters for a scenario where there is multiple Suppliers, to which Exelon suggested that each option could be made to work for that scenario, but acknowledge that each option hasn't made this clear. Exelon agreed to clarify how/whether each of the options would work in the multiple Supplier scenario.

In conclusion, Exelon suggested that option 1 is not progressed; options 2, 3 and 4 should be progressed. No WG member objected. One member asked if Exelon could also provide workable examples and scenarios for each option, stating that this will aid clarity for parties. Exelon agreed to include this in the requirement for each option.

3.3 **ToR (f) - What impact do Class 5 Complex Sites have on Network Charges and BSC Charges (continued)**

- 3.3.1 A representative from the National Grid Electricity System Operator (NGESO) highlighted the changes made in the regulatory charging policy relevant to Class 5 Complex Sites. NGESO pointed out that CMP264/5 ended Embedded Generators' ability for their output to be netted off demand for demand TNUoS (Transmission Network Use of System) charge calculation purposes, introducing the Gross demand TNUoS charging for Half Hourly (HH) demand. They noted that "netting" Balancing Services Use of System (BSUoS) Charges would go against the intent of the charging principle set out in the Target Charging Review (TCR). There was some discussion of how this principle applied to exempt supply in general, and to Class 5 Complex Sites in particular. The Proposer stated that, in the context of Class 5 Complex Sites, it should be acceptable for TNUoS and BSUoS charging to use the net data entering Settlement, and the NGESO representative confirmed that they understood this to be the case.

There were mixed views from some WG members, which highlighted the lack of clarity on whether NGESO needs Gross Demand Data or Netted data to bill TNUoS and BSUoS to the applicable sites. The NGESO representative asked to take this point away and seek clarity from the their Settlements team, with their feedback to be shared with the WG ahead of the next P441 meeting.

3.4 ToR (e) - How should the notification process of a Class 5 Complex Site operate?

3.4.1 Elexon summarised the background of this topic, stating the Proposer for P441 and the Issue 88 Group had the same view that a notification should be issued to Elexon whenever a Class 5 Complex Site is established or has had a material change. Elexon explained that this would provide assurance to the industry and protect the integrity of Settlement. Elexon noted that the onus would be on the Supplier Volume Allocation (SVA) Meter Operator Agent (MOA) to notify Elexon of any changes to a Class 5 Complex Site. Given that the Retail Energy Code (REC) governs SVA MOAs, Elexon asked if there should be an update to the REC document to require SVA MOAs to notify Elexon of any Class 5 Complex Site change. Some WG members agreed, others did not comment.

3.5 ToR (d) - What form should a central register of Class 5 Complex Site take?

3.5.1 Elexon highlighted the relationship between this ToR and ToR (e), stating that the intention is to use the notifications from SVA MOAs to create a central register. Elexon asked the WG if there was value in publishing a redacted, high level version of the central register. One member welcomed the idea of having a central register, querying if it was possible to include volume of energy going into Class 5 Complex Sites. The Proposer thought it was a good idea but felt that the form and central register should be kept simple. Some members agreed with this. Other members did not comment.

3.5.2 Elexon summarised the view from the WG members on both ToR (e) and (f) as no changes required to the existing notification form, but an update to the applicable REC document will be made to ensure that SVA MOAs are required to send a notification to Elexon whenever there is a change to a Class 5 Complex Site. No WG member objected.

4. Next steps

4.1 The third P441 Workgroup meeting will be held on Tuesday 17 January 2023 to finalise the discussion on ToR (f).

4.2 Elexon will seek a 5-month extension to the P441 progression timeline at the January 2023 BSC Panel meeting.

Actions

No.	Action	Owner
1.	Document option 4 in registering MSIDs.	Elexon
2.	Draft worked examples for each option in registering a MSID	Elexon
3.	Provide clarity on whether BSUoS and TNUoS require gross data for charging purposes in the context of a Class 5 Complex Site.	NGESO

Appendix 1: P441 Workgroup 1 attendance

Name	Organisation
Mary Gillie	Energy Local
Amanda Dainty	Total Energies

Artur Balint	GTC UK
Pete Capener	BWCE Coop
Kristina Leary	SMS PLC
Sophie Payne	Opus Energy
John Lancaster	West of England Combined Authority
Matthew Osborn	Passiv UK
Reg Platt	Emergent Energy
Joseph Henry	NGESO
Lee Stone	EON Energy
Phillip Russell	Independent
Tim Lunel	Low Carbon Hub
Mark Bygraves	Siti grid
Ian Hall	IMserv
Andrew Colley	SSE
Meg Wong	Stark
Carrie-Anne Lewis	SMS
Felix Wight	Repowering
Benny Talbot	Community Energy Scotland
Andy Knowles	Utilita
Jonathan Dawes	Stark
Simon Hagan	IMserv
Charles Bradshaw-Smith	SmartKlub
Shannon Murray	Ofgem
Keren Kelly	Elexon (Chair)
Stanley Dikeocha	Elexon (Lead Analyst)
John Lucas	Elexon (Subject Matter Expert)
Christopher Day	Elexon (Design Authority)