
Update to P427 Peer Comparison Data

BSC Panel

Date of meeting **12 October 2023**

Paper number **343/07**

Owner/author **Simon Waltho**

Purpose of paper **Decision**

Classification **Public**

Document version **1.0**

Summary **The BSC Panel is invited to approve the routine publication of Export Settlement Performance data via the Peer Comparison technique under Modification P427**

1. Background

- 1.1 BSC Modification [P427¹](#) was approved by Ofgem on 28 November 2022 (in line with the BSC Panel's recommendation), and was implemented on 23 February 2023 as part of the standard February 2023 Release.
- 1.2 The Modification allowed publication of any data via the Peer Comparison technique, where recommended by the PAB and approved by the BSC Panel, where the PAB recommends that making the data set(s) publically available would have a benefit in respect of Settlement performance.

2. Current Process

- 2.1 On a monthly basis, Settlement performance data for all Performance Assurance Parties (PAPs) is published on the [Peer Comparison pages of Elexon's website](#).
- 2.2 This data includes details of Suppliers' performance in relation to the Performance Standards for Energy and Metering Systems on Annual Advances and Actual Readings at each Volume Allocation Run for Active Import (AI) Energy as set out in [Annex S-1.2](#) of the BSC.

3. Proposed Update

- 3.1 Elexon recommends that the published data be expanded to include:
 - details of Supplier's performance in relation to the Performance Standards for Energy and Metering Systems on Annual Advances at each Volume Allocation Run for Active Export (AE) Energy from Non Half Hourly (NHH) Metering Systems as set out in Annex S-1.2; and
 - details of Suppliers' performance in relation to Energy and Metering Systems Actual Readings at each Volume Allocation Run for AE Energy from Half Hourly (HH) Metering Systems.

4. Rationale and Benefits

- 4.1 The Performance Standards for AE Energy from NHH Metering Systems included in Annex S-1.2 have not been monitored or enforced due to historically low volumes of both MSIDs and energy.
- 4.2 This is no longer the case: volumes of AE Energy from NHH have now risen to the point that poor Settlement Performance by Suppliers can have significant effects on other Parties. Group Correction Factors (GCFs) and Distribution Use of System (DUoS) charges in more than one GSP Group have been pushed upward in recent months by significant over-accounting of NHH AE Energy.

¹ Publication of Performance Assurance Parties' impact on Settlement Risk

- 4.3 Performance against the Standards set out in Annex S-1.2 is extremely poor. Overall industry performance for Settlement Month June 2022 saw just 18.67% of total NHH AE energy Settled on Annual Advances at the Final Reconciliation (RF) Settlement Run, against a Standard of 97%. The three largest Suppliers by volume each settled less than 2% of their total AE energy on Annual Advances at RF.
- 4.4 In line with the principles behind P427, it is appropriate the underlying data is made Public in order to provide a further incentive for Parties to improve their performance and to allow individual Suppliers to be held accountable for any serious Settlement Errors resulting from their underperformance.
- 4.5 AE Energy from HH Metering Systems is typically estimated to 0 where Actual Readings are not available. As such, it is not included in the Performance Standards as these are based on a Supplier Settling a percentage of their overall volume on Actual Readings.
- 4.6 Whilst a volume standard is not appropriate, the presence of unaccounted AE Energy in Settlement resulting from estimation to 0 where generation is taking place necessarily introduces error into Settlement. For this reason, it is appropriate that Elexon publish this data as a further incentive to Parties to maximise the amount of Actual Readings from HH Metering Systems in Settlement.

5. Performance Assurance Board (PAB) Response

- 5.1 A version of this paper was presented at the [PAB272](#) meeting on 28 September 2023. The PAB unanimously recommended that the BSC Panel approve the routine publication of Export Settlement Performance data via the Peer Comparison technique under Modification P427.

6. Recommendations

- 6.1 We invite the BSC Panel to
- a) **APPROVE** the routine publication of Export Settlement Performance data via the Peer Comparison technique under Modification P427.

For more information, please contact:

Simon Waltho, Risk & Technique Analyst

Simon.waltho@elexon.co.uk

020 7380 4203