



# Electricity Market Reform Update

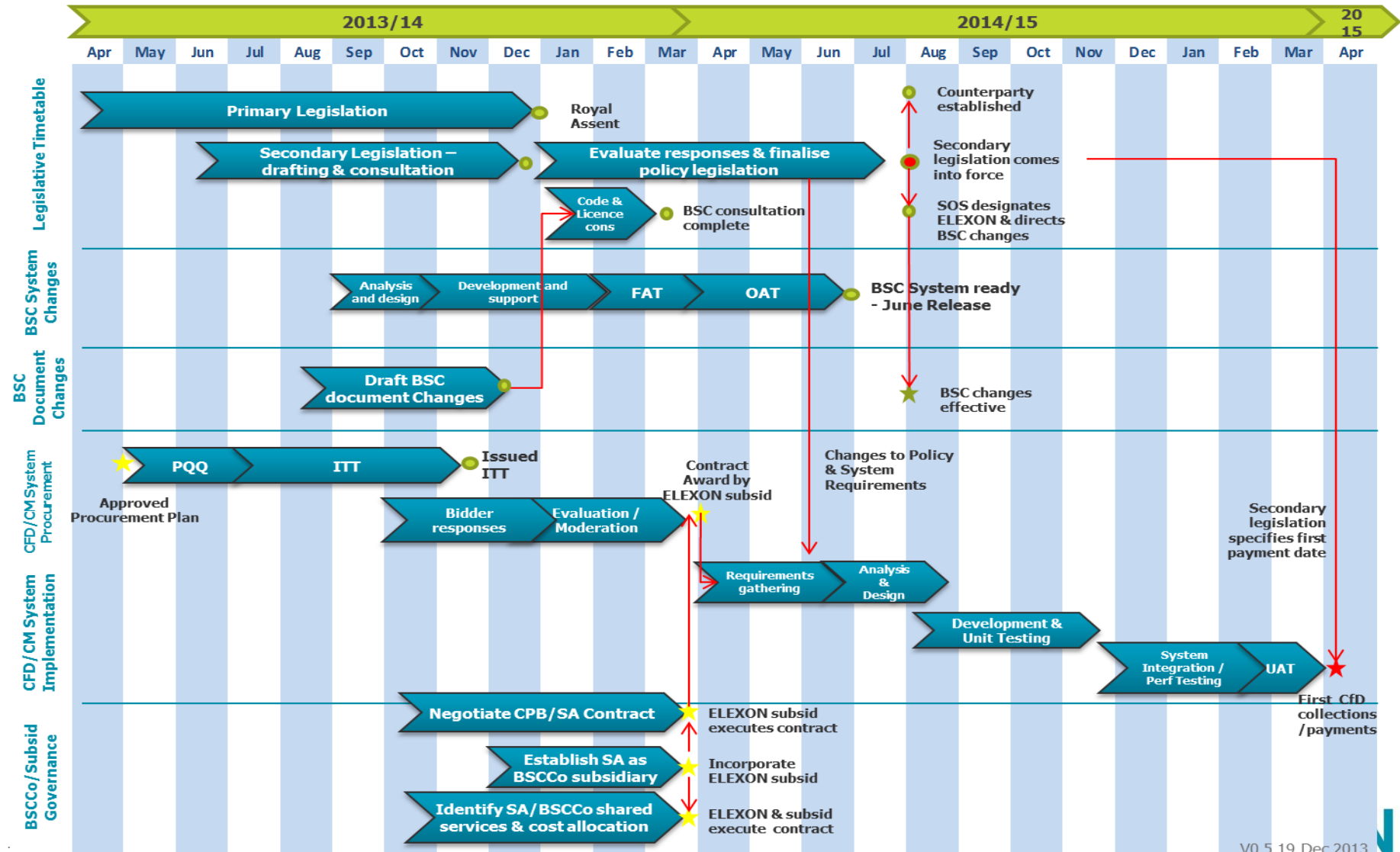
**ISG, PAB, SVG & TDC**

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# ELEXON EMR Timeline



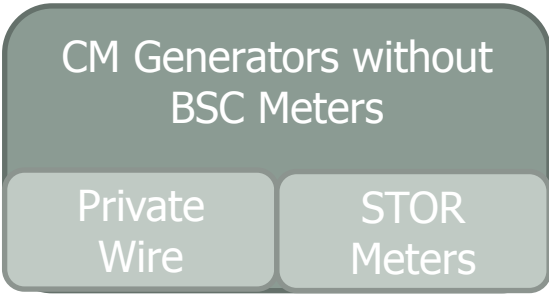
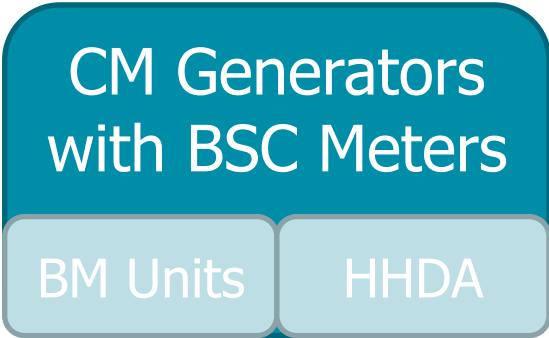
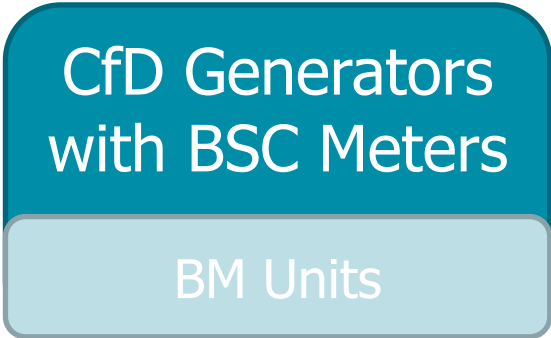
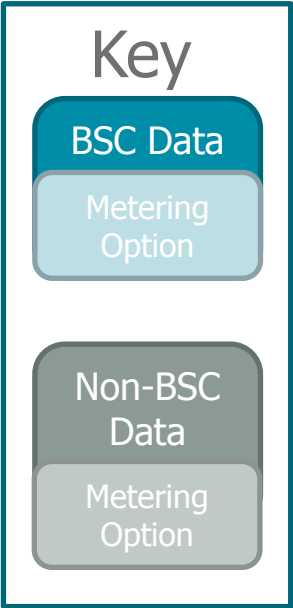
- DECC published consultation on EMR consequential BSC Changes - due by 13 Feb
- Providing data and support to CFD and CM Settlement Agents
- Enabling ELEXON to perform EMR roles
- Protecting BSC Parties from EMR costs, risk and liabilities (and vice versa)



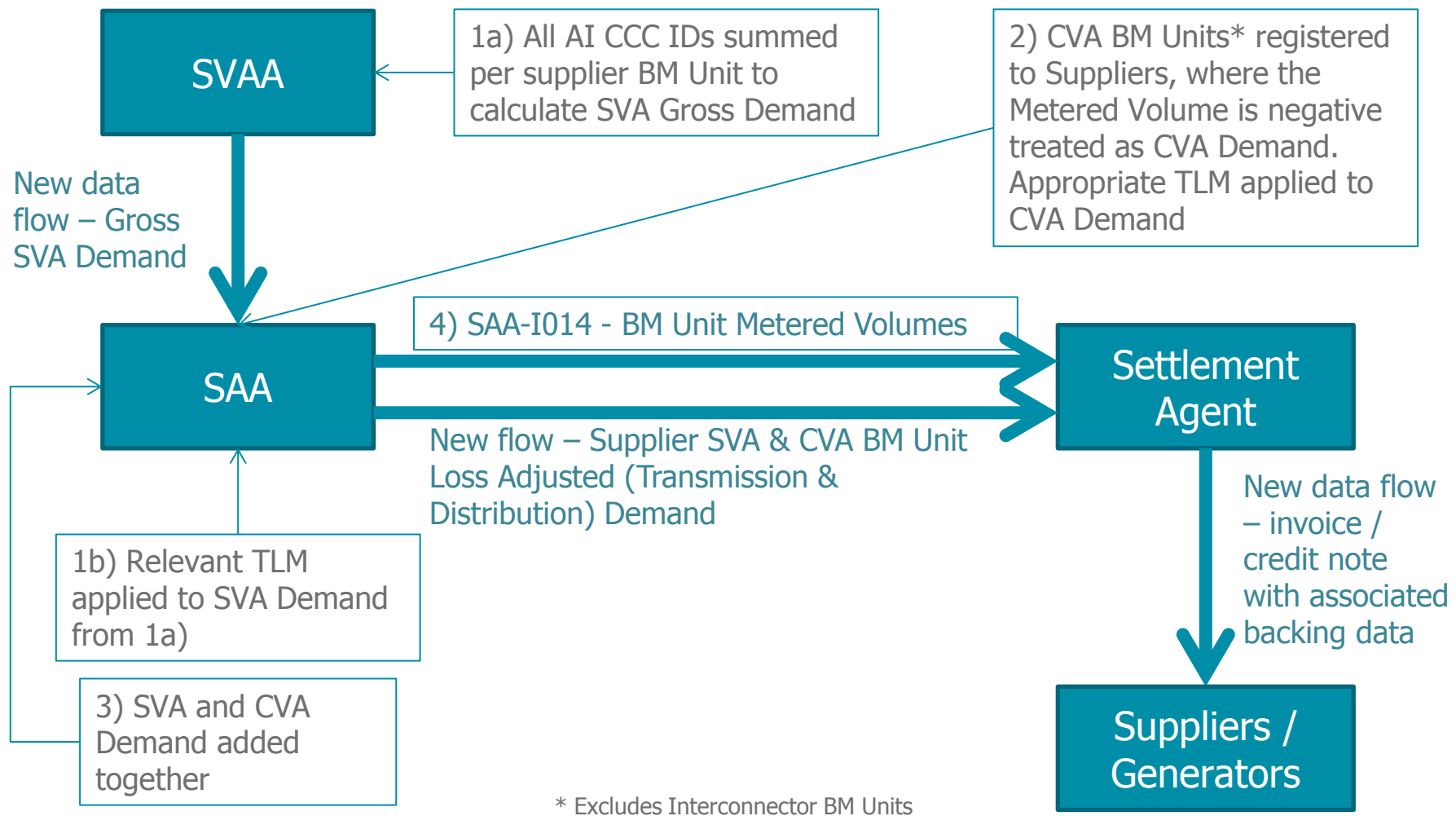
## EMR BSC Change Process

- All BSC and subsidiary document changes directed by SoS July 2014
- Any subsequent EMR changes requiring BSC or subsidiary documents changes raised using existing BSC change process
  - CfD Counterparty and CM Settlement Body may raise changes
- New BSC Objective to facilitate operation of EMR
- Modification Reports to include impact on EMR arrangements

# How is BSC Data Used?



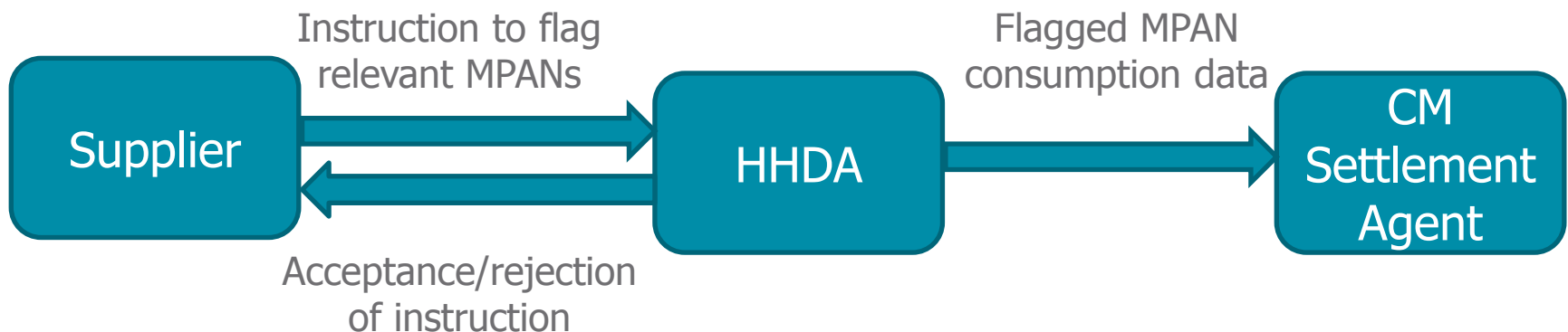
# How is BM Unit Data Calculated for EMR?



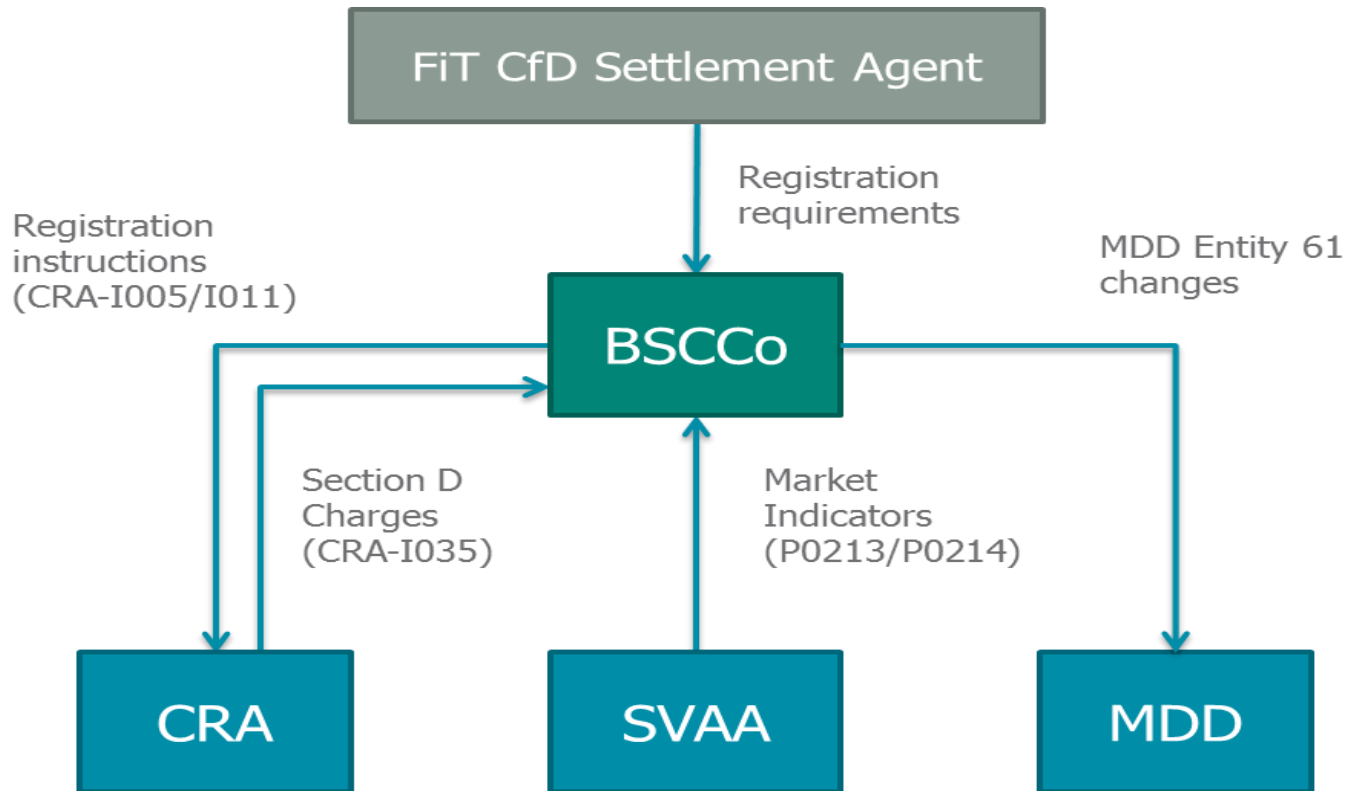
\* Excludes Interconnector BM Units

# The Use of HHDA's for CM Settlement

- One DSR and embedded generator metering option for the Capacity Market proposes that MPAN-level consumption information is provided to the CM Settlement Agent by Supplier-appointed HHDA's
- DECC held workshop with HHDC/HHDA's in Nov 13
- BSC changes drafted
- DTC changes to be drafted and raised via normal industry process



# Additional BM Unit Registrations for EMR



- £100/month A.BMU charge will not apply to CfD/CM A.BMUs
- CRA change currently under assessment





## A.BMU Naming Convention

### New BMU ID Schema for CFD: C\_\_ASUPP001

C_	Supplier BM Unit for EMR
_A	GSP Group `_A`
SUPP	4 Character Supplier ID
001	Used to identify the CfD or Capacity Agreement The number increments as more CFD/ Capacity Agreements are registered Relationship created between this number and the CfD / Capacity Agreement ID from the settlement agent system
BMU Name	The CfD / Capacity Agreement ID (no convention set yet) used in the settlement agent system will be stored in the A.BMU name field in the CRA system

- BSC changes to section S (Supplier Volume Allocation):
  - SAA required to submit required data to EMR settlement agent
- Section V (reporting):
  - ELEXON will provide the Panel with a list of data required by the EMR Settlement Agent and a copy of the data licence terms
  - For CfD the panel will also be told why it is required and the Panel may query the provision of data items (unless the data is publically available, available to any person on request or expressly contemplated as necessary in the Regulations)
  - If the Panel queries a particular data item then the CfD Counterparty will have the final say on whether that item should be provided

- Proposed change to section L (metering)
  - Access to property granted to CfD/CM Settlement Agent and CfD Counterparty and CM Settlement Body or nominated third party
- TAA non-compliances need to be reported to CfD/CM Settlement Agent so CM/CfD metering non-compliance provisions can be applied where appropriate
- Section S: Upon request from customer its Supplier is required to ensure its HHDA submits metered data to CM settlement agent
- Qualification impact?
- Supplier data at II Run onwards used for EMR Supplier funding calculations

- More A.BMU applications
  - Should A.BMUs become part of MDD fast track?
- HHDA system impact from CM metering option
- Section S: Upon request from customer its Supplier is required to ensure its HHDA submits metered data to CM settlement agent
- Supplier data at II Run onwards used for EMR Supplier funding calculations

- Section W change: Trading Disputes notified to CfD Counterparty and CM Settlement Body so CM/CfD metering non-compliance provisions can be applied where appropriate
- Non BSC Trading Parties with a CfD or Capacity Obligation who wish to dispute its metered data will need its Registrant or BSCCo to raise dispute on its behalf
- HHDA data disputes raised via Trading Dispute process



## Settlement Agent Interfaces

- Document being prepared with interface options
- Discussions on-going with DECC
- Interface options with Suppliers and generators include:
  - Email attachments e.g. with PDF and XML file
  - Secure FTP
  - Web services / portal
  - DTN
  - CVA network
- Interested to hear views → possible consultation
- One size fits all vs. ability to choose interface



## Key DECC Publications Over Last Two Months

Date Published	Title	Type	Status
16 Jan 14	Allocation of CfDs	Consultation	Open
15 Jan 14	Industry Code and Licence Modifications	Consultation	Open
19 Dec 13	Draft Electricity Market Reform Delivery Plan	Policy Paper	-
19 Dec 13	Regulations for Contracts for Difference (Standard Terms and Modifications)	Consultation	Open
19 Dec 13	Contracts for Difference	Policy Paper	-
10 Oct 13	Proposals for implementation of Electricity Market Reform	Consultation	Closed

- <http://www.elexon.co.uk/reference/electricity-market-reform/>
- <https://www.gov.uk/government/consultations/emr-consultation-on-industry-code-and-licence-modifications>
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