

RESPONSE TO EMR CIRCULAR 2 – ADDITIONAL BM UNITS REGISTERED FOR EMR

WHAT'S THIS ABOUT?

This paper provides the naming convention that will be used for Additional BM Units registered for CfD Assets (CfD Assets is a new BSC defined term to be implemented for EMR). This paper also provides a summary of the responses to EMR Circular 2. On 3 April ELEXON issued [EMR Circular 2](#) 'Additional BM Units Registered for EMR' to seek views from stakeholders on the likely impact and implementation timescales of using the new naming convention.

Under the new EMR arrangements, BM Unit Metered Volumes will be used for EMR Settlement, as well as for the existing BSC settlement processes. In order to facilitate this new arrangement it was proposed to apply a new naming convention to Additional BM Units (details of the proposal can be found in [EMR Circular 2 Attachment 1](#)). No changes were proposed to BM Units with assets registered in the Central Master Registration Service (CMRS).

We received five responses to EMR Circular 2 from SSE, E.ON, EDF, EnAppSys Ltd and npower. We have been in contact via email or phone to all respondents, and responded to any questions raised. The responses can be found in attachment one.

NAMING CONVENTION FOR BM UNITS REGISTERED FOR CFD AND CM ASSETS

Taking into account the responses received and changes to DECC policy, the naming convention proposed in EMR Circular 2 will be adopted with the following modifications:

1. The naming convention will not apply to Additional BM Units registered for CM Assets. Following a change in DECC policy, Additional BM Units are no longer a valid metering option for embedded Capacity Market Units (CMUs)¹, and the new naming convention therefore applies only to CfD Assets.
2. A further naming convention will be applied to Additional BM Units registered for Energy Intensive Industries (EII) for the CfD Arrangements. DECC has not published its intended metering policy to provide EII metered data to the CfD Settlement Services Provider (CfD Settlement Services Provider is a new BSC defined term, to be implemented for EMR, and refers to the 'settlement agent' role that ELEXON will fulfil). This naming convention will only be used should DECC decide to use Additional BM Units to capture EII metered volumes.

Attachment two contains the full naming convention approach to be used for EMR Assets.

The naming convention will be controlled and operated by BSCCo. For CfD Assets, we expect BSCCo to register sets of Additional BM Units on behalf of Suppliers in advance of a Supplier becoming the Registrant for the CfD generator. Suppliers should not need to register Additional BM Units for CfD Assets, as long as they ensure the list of Power Purchasing Suppliers that BSCCo maintains accurately reflects its intentions i.e. if it wants to sign a Power Purchasing Agreement with a CfD generator it should ensure it's on the list. The list forms the basis of what Additional BM Units will be registered for each set.

¹ Note that a CMU Asset can still be placed in an Additional BM Unit (e.g. to allow it to participate in the Balancing Mechanism). But use of an Additional BM Unit is not supported as a mechanism for providing metered data to the CM Settlement Services Provider (i.e. the CM 'settlement agent' role that ELEXON will fulfil). If a CM Asset was placed in an Additional BM Unit it would be a 'normal' Additional BM Unit, with an Id beginning '2_', and subject to the Additional BM Unit Monthly Charge.

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Should a Supplier wish to register an Additional BM Unit for CfD Assets, rather than have one registered as part of a set on its behalf, BSCCo will agree with the Lead Party the BMU Id, and name in accordance with the naming convention.

Whilst the EII policy has not been finalised, we have assumed that Suppliers will register Additional BM Units for EII Assets. BSCCo will agree with the Lead Party the BMU Id, and name in accordance with the naming convention. We do not envisage sets of Additional BM Units being registered for EII.

Apart from the 'C_' or 'D_' at the start, and the last three numeric characters at the end, the remainder of the BM Unit Id (i.e. characters 3 to 8) will follow the existing naming convention for Additional BM Units. The elements making up the BM Unit Id will therefore be as follows. An example BM Id for CfD Assets is 'C__ASUPP001' :

Schema Element	Description
C_ or D_	The first two characters of the BM Unit Id will identify the type of Additional BM Unit: C_ used for CfD generators. D_ used for EII: will only be used if DECC decide to adopt BM Units as the method for providing EII metered volumes to the CfD Settlement Services Provider.
_X	The next two characters will be the GSP Group Id (e.g. _A for Eastern GSP Group).
XXXX	The next four characters will be the Market Participant Id of the Supplier on whose behalf the Additional BM Unit is registered.
nnn	Three digits used to identify the CfD (incremented by one each time a relevant CfD is registered), or EII exemption level (where each number can represent a specified exemption level e.g. 001 = 50% exemption, 002 = 60%)

The approach and use of the BMU name field is the same as was proposed in EMR Circular 2. Full details of this approach can be found in attachment 2. The BMU name field will not be mandated for EII Assets.

The issues raised in the responses can be grouped into categories:

1. Alternative approaches

One respondent suggested that a new BMU parameter should be added to identify BM Units used for EMR, as it would allow greater flexibility and allow CVA BM Units with EMR Assets to be identified too. Another respondent proposed that only the BMU name field should be used. Two respondents felt that using the BMU Id field would be helpful.

The BMU Id appears in all BSC data flows reporting BM Unit data. This includes the CRA registration data flows (CRA-I014), core Settlement data flows (e.g. SAA-I014), and the Stage 2 BM Unit Registration Data File (D0299) issued by the MDD Agent. Conversely, the BM Unit name field only appears in the CRA registration files (CRA-I014). The BM Unit Id will allow easy identification of those Additional BM Units used for CfD, whilst the name field allows identification of which CfD the Additional BM Unit is associated with. Given the mixed responses, none of which supported making no changes, the proposal to use the BM Unit Name and BM Unit Id fields will be kept.

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3 respondents believed it would be helpful to use further identifiers to distinguish between Additional BM Units with different asset types in them, as they are mutually exclusive e.g. 'C_' for CfD generators, 'P_' for CM Capacity Providers. Given DECC's decision not to use Additional BM Units for CM purposes, we will not be adopting 'P_' BM Unit Ids for CM purposes. However, we will be using 'C_' BM Unit Ids for CfD generators, and (subject to confirmation of the EII policy by DECC) 'D_' BM Units for EII.

2. Should the solution be applied to CVA BM Units?

Two respondents felt that the solution should also apply to BM Units with assets registered in CMRS to make it easier for parties to perform reporting and analysis on EMR metered data.

There is no BSC or EMR requirement or obligation to justify the extension of the solution, and we are not able to accommodate these requests. Furthermore, it would likely have a greater impact on participants systems who may otherwise not be impacted. If participants wish to conduct its own analysis on EMR metered data, the BSC is not able to provide all of this data. For example, metered volumes for Capacity Providers (HHDA metering option, STOR metering, bespoke metering) or CfD-generators (private wire metering) using non-BM Unit metering options would not be covered by BSC data. The solution will therefore only apply to Additional BM Units registered for CfD generators, and EII customers (if adopted by DECC).

3. Clarifications

Some respondents wanted to know what impact the sets of Additional BM Units would have on the SAA-I014 data flow. This is because many Suppliers are likely to have Additional BM Units registered on its behalf, and do not use it, resulting in 'dummy' or 'inactive' Additional BM Units registered in BSC Settlement. We estimate that each 'inactive' Additional BM Unit will add approximately 5,500 bytes (0.00524 MB) to the SAA-I014 flow.

We do not have any estimates from DECC on the number of CfDs or EII sites that will be registered. We assume that each SVA CfD will require a set of Additional BM Units to be registered based on a list of 'Power Purchasing Suppliers' maintained by BSCCo, in accordance with a new BSC obligation to be implemented as part of EMR (see section K changes). We assume that each SVA EII customer can be allocated to an Additional BM Unit where the Supplier, GSP Group and EII exemption level are the same. Whereas each CfD, requires its own Additional BM Unit.

Two respondents queried whether the naming convention allowed for enough Additional BM Units to be registered. The naming convention for CfD limits the number of CfDs with MPANs registered in SMRS to 999 per GSP Group. For EII Assets you are limited to 999 Additional BM Units per Supplier, per GSP Group. DECC is aware of this, and it's assumed that this should be sufficient. Should it not be, a change proposal would need to be raised to resolve the limitation.

Respondents also asked for clarification on the de-registration process. As per BSCP15 section 1.9 to be implemented for EMR, Additional BM Units for CfD Assets will be deregistered when the CfD terminates e.g. CfD comes to the end of its tenure or CfD termination event occurs. Additional BM Units for EII assets will be de-registered by the Supplier, or when EII metered volumes are no longer needed e.g. the end of the CfD arrangements. In all cases (for CfD or EII), the CfD Settlement Services Provider will initiate the de-registration process, and Lead Parties will be notified at least 15 working days before the effective to date. It will be the responsibility of Suppliers to ensure they have the Additional BM Units they want registered.

CRA CHANGES

We have ordered changes to the CRA system to exclude those BM Units with a BMU Id starting with a 'C_', or a 'D_' from the CRA-I03 – 'CRA BSC Section D Charging Data' data flow. These changes will form part of the February 2015 BSC Release.

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The purpose of this change is to allow us to waive the existing Section D charge of £100 per month per Additional BM Unit, as required by DECC's proposed changes to Annex D-3 of the BSC. The exclusion only applies to Additional BM Units and not CVA BM Units with EMR Assets. Currently, Suppliers can choose whether to allocate a MPAN to its Base BM Unit or an Additional BM Unit. The CfD arrangements are mandating that 'CfD MPANs' are allocated to an Additional BM Unit. On the other hand, the rules surrounding CVA BM Unit registrations are not changing for EMR.

More Information

Please email Lawrence.jones@elexon.co.uk

Attachments

- Attachment 1 – Non-confidential responses to EMR Circular 2
- Attachment 2 – Naming Convention for BM Units registered for EMR Assets