



EMR
SETTLEMENT
LIMITED

Public

CFD Supplier Implementation Event

Thursday 23 October 2014

Hannah Pargeter

What we'll cover?

- Settlement System – Progress update
- EMR Interfaces
- Consultation - A proposed approach for calculating suppliers demand
- Issue of Reserve Payment Notices
 - Supplier Information
- DECC Consultation on the CFD Supplier Obligations
 - Collateral
 - Energy Intensive Industries
 - Imported Renewable Electricity
- What is coming up?

Breakout Sessions

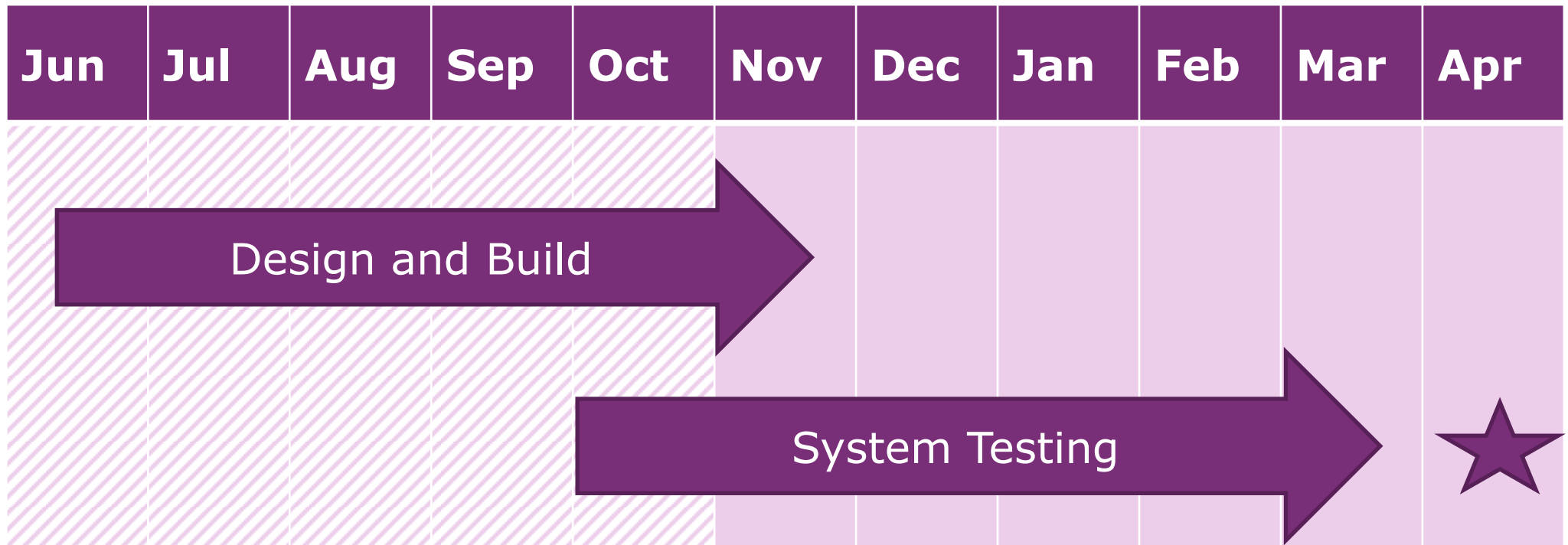
John Lucas

- Settlement System
- EMR Interfaces
- Consultation - A proposed approach for calculating suppliers demand

Lawrence Jones

- Collateral
- Energy Intensive Industries
- Imported Renewable Electricity

Settlement System – Progress update



- The '**Build**' is now scheduled to complete in November 2014
- The '**System Testing**' is now scheduled to complete in March 2015
- DECC Programme Board, LCCC and EMR Project Board are informed
- On track for settlement system go-live as 1 April 2015

EMR Interfaces - What are the methods being used?

Information	Method
Notices	<ul style="list-style-type: none">• Email PDF encrypted file
Invoices	<ul style="list-style-type: none">• Email PDF encrypted file
Credit Cover Report	<ul style="list-style-type: none">• Data Transfer Network (DTN)• Email Attachment• Portal Downloadable file
Backing Data	<ul style="list-style-type: none">• Data Transfer Network (DTN)• Email Attachment• Portal Downloadable file

- The format of the below methods are being finalised
 - Email attachment
 - Portal downloadable file



EMR Interfaces – When will examples be available?

Information	Method
Notices	<ul style="list-style-type: none">• Email PDF encrypted file
Invoices	<ul style="list-style-type: none">• Email PDF encrypted file
Credit Cover Report	<ul style="list-style-type: none">• Data Transfer Network (DTN)• Email Attachment• Portal Downloadable file
Backing Data	<ul style="list-style-type: none">• Data Transfer Network (DTN)• Email Attachment• Portal Downloadable file

- We'll present visual examples, with supporting information
 - When? Mid-December/early January 2015
 - How? We'll plan to hold a workshop



EMR Interfaces – MRA Change Proposal

July 2014

- Raised – 31 July 2014

August-September 2014

- Impact Assessment – 15 September 2014

October 2014

- **Decision – 8 October 2014**

February 2015

- Implementation – 26 February 2015

■ Suppliers

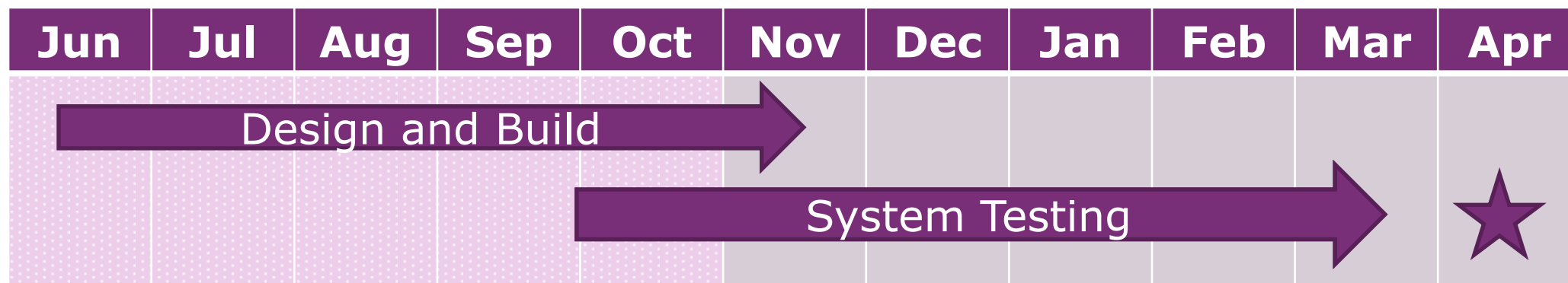
- **D0362 CFD Supplier Invoice Backing Data**
- D0364 CM Supplier Invoice Backing Data
- **D0363 CFD Supplier Credit Cover Report**

■ CFD Generator and Capacity Providers

- D0365 CFD Generator Invoice Backing Data
- D0366 Capacity Provider Invoice Backing Data

Full details are available
within EMR Circular 19

EMR Interface – Participant Involvement



- We'll need to undertake testing in issuing Notices, Invoices, Backing Data and Reports to **CFD Generators** and **Suppliers**.
- February 2015 is scheduled for UAT testing
- Early March 2015 is scheduled for DTS testing
- We'll confirm specific dates once available

Consultation – Seeking views from suppliers

- We've published a consultation on **a proposed approach for calculating a suppliers demand for EMR charging.**
- Impacts any **electricity suppliers** who own a Licensable power station, where the associated BM Units are registered to a company that also hold a Supply Licence.
- Suppliers need to understand which BM Unit data will be used in CFD and CM settlement
- **Consultation** and **Response Form** available on our website – <http://emrsettlement.co.uk/publications/consultations/>
- Respond back to us by **6 November 14**
- Publish the BM Units applicable for EMR charging by **20 November 14**
- Full details are published in **EMR Circular 20**

Consultation – Seeking views from suppliers (2)

- **Which BM Unit data will be used in CFD settlement?**
- CVA BM Unit Metered Volumes will be included in BM Unit **gross demand** (and hence treated as chargeable for CFD purposes) if:
 - BM Unit Metered Volume is negative (in that Settlement Period)
 - Lead Party for the BM Unit holds a supply licence
 - It is not an Interconnector BM Unit
 - **The premises are not being occupied for the purposes of operating a Licensable Generating Plant.**

Consultation – Seeking views from suppliers (3)

- **Which BM Unit data will be used in CM settlement?**
- In order to implement this requirement, we propose to calculate '**net demand**' by summing the BM Unit Metered Volume for:
 - All supplier BM Units registered by the supplier. This picks up all SVA-registered demand and embedded generation.
 - All CVA-registered embedded BM Units registered by the supplier, **excluding any at premises occupied for the purposes of operating a Licensable Generating Plant**. This picks up any CVA-registered embedded Exemptable generation.
 - Any CVA-registered demand-only (i.e. zero Generation Capacity) BM Units registered by the supplier, **excluding any at premises occupied for the purposes of operating a Licensable Generating Plant**.

Issue of Reserve Payment Notices

- The first **Reserve Payment Notice** must be issued before 1 January 15 which covers the first obligation period Apr-Jun 15
- To issue suppliers the Reserve Payment Notices we need to confirm with yourselves:
 - Company details
 - Operational contact e.g. to confirm BM Units and Aggregations Rules
 - Contact details for sending the physical notice and invoice
- We'll issue a request for the above information in early November
- Following the consultation we'll contact suppliers to confirm the below:
 - BM Units
 - Aggregations Rules

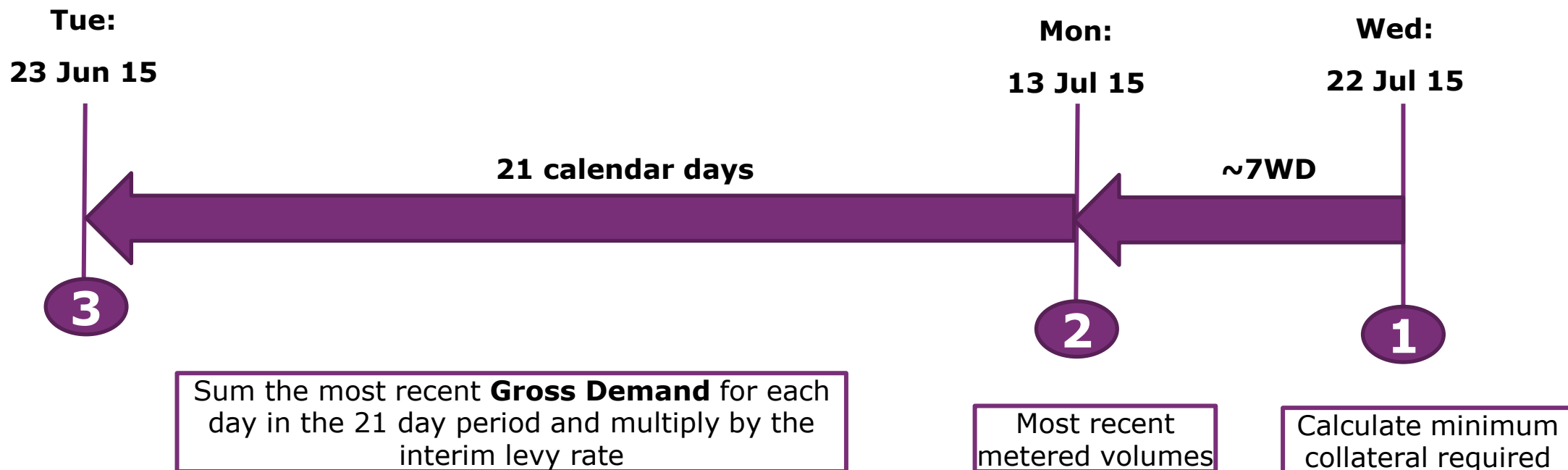
DECC Consultation

CFD Supplier Obligations Regulations 2014

- Electricity Intensive Industries
- Imported Renewable Electricity
- Minor and technical amendments
 - Collateral amount determined by the most recent metered data
 - No interest on collateral default amounts
- Consultation - <https://www.gov.uk/government/consultations/emr-changes-to-the-cfd-supplier-obligation>
- Respond by 5 November 14 and send to - secondarylegislationemr@decc.gsi.gov.uk

DECC Consultation – Collateral

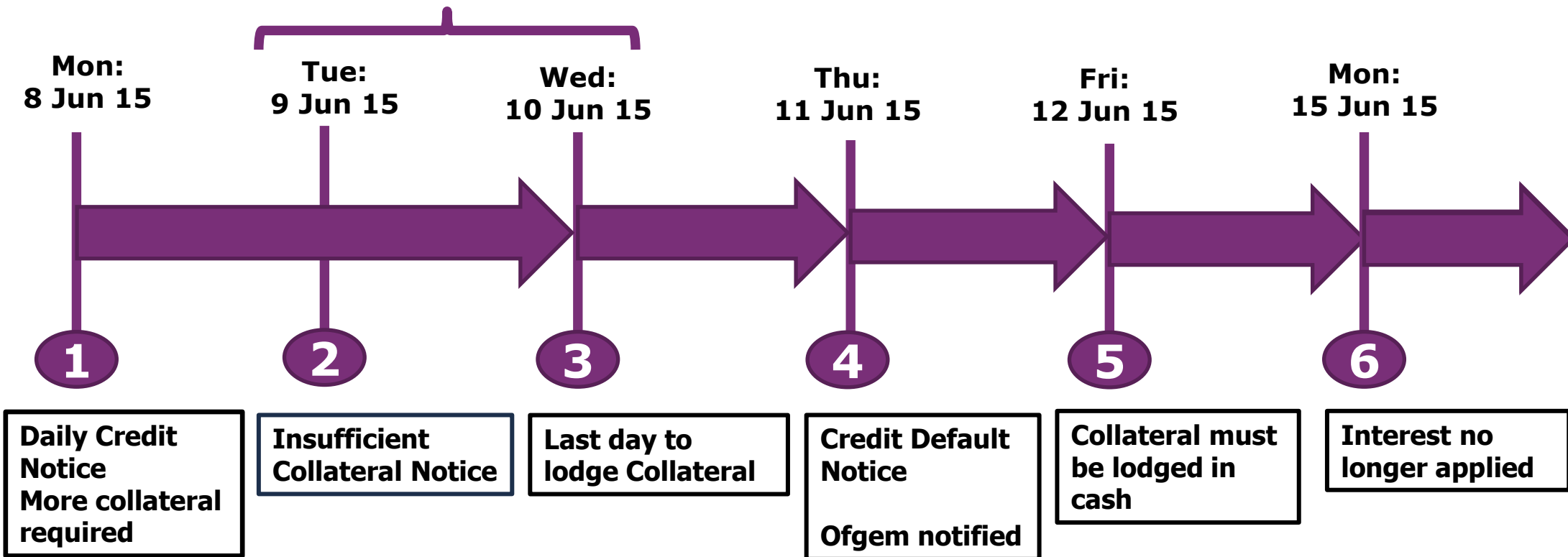
- Clarifies the definition of **metered data to the most recent 21 days** for sizing suppliers' collateral requirements
- 21 days of most recent metered data will contain both II and SF data



DECC Consultation - Collateral (2)

- No interest on default collateral amounts

2 WD Cure Period



- To clarify, Daily Credit Notices do not supersede previous ones i.e. a deficit amount remains outstanding until paid

DECC Consultation – Energy Intensive Industries (EII)

Electricity Intensive Industries Consultation Event

DECC are holding a consultation event to discuss the questions posed in the EII implementation consultation

- **Thursday 30 October 2014 from 14.30-17.00**
- BIS offices, 1 Victoria Street, Westminster, SW1H 0ET
- Two sessions being held:
 - **Electricity Intensive Industries - 14.30-15.30**
 - **Suppliers and HHDAs - 16.00-17.00**
- To register email: alice.douglas@decc.gsi.gov.uk

DECC Consultation – Energy Intensive Industries (EII)

- Supplier determines existing A.BMU or initiates registering a new A.BMU

- To initiate new A.BMU supplier confirms MSIDs to CFD Counterparty
- CFD Counterparty validates MSIDs to allow the registration of a new A.BMU

- Supplier registers A.BMU with BSCCo
- BM Unit Registration (BSCP15) and Market Domain Data (BSCP509)

- A.BMU registered and supplier instructs the HHDA to allocate MSIDs
- HHDA notify CFD Counterparty of MSIDs allocation

- Aggregations Rules updated to apply to relevant exemption to the A.BMU

- Exemption commence and settled daily

- Supplier invoiced for supplier obligation and operational cost levy amounts based on the suppliers non-exempt supply

DECC Consultation – Imported Renewable Electricity

Obligation Period - Quarter		
Apr	May	Jun

- Whole quarter a supplier imported 91MWh of eligible electricity
- The volume of electricity supplied each day for the purpose of calculating their **CFD daily contribution** would be reduced by **1MWh** (assuming a 91 day quarter)
- The volume of electricity supplied over the whole quarter for the purpose of calculating their **CFD quarterly contribution** would be reduced by **91MWh**

What is coming up.....

October

- Publish a schedule of Working Practices and Guidance

November

- Supplier information request issued
- A proposed approach for calculating a suppliers demand: responses **6 November 14**
- Publish BM Unit used for calculating suppliers demand **20 November 14**
- Publish Working Practices and Guidance

December

- Issue **Reserve Payment Notices** to suppliers
- Publish Working Practices and Guidance

What is coming up.....

(2)

January

- **Examples: Notices, Invoices and Backing Data**
- Publish Working Practices and Guidance

February

- **MRA Change Proposal - Implementation**
- Issue **Credit Cover Notice** to Suppliers
- Publish Working Practices and Guidance

March

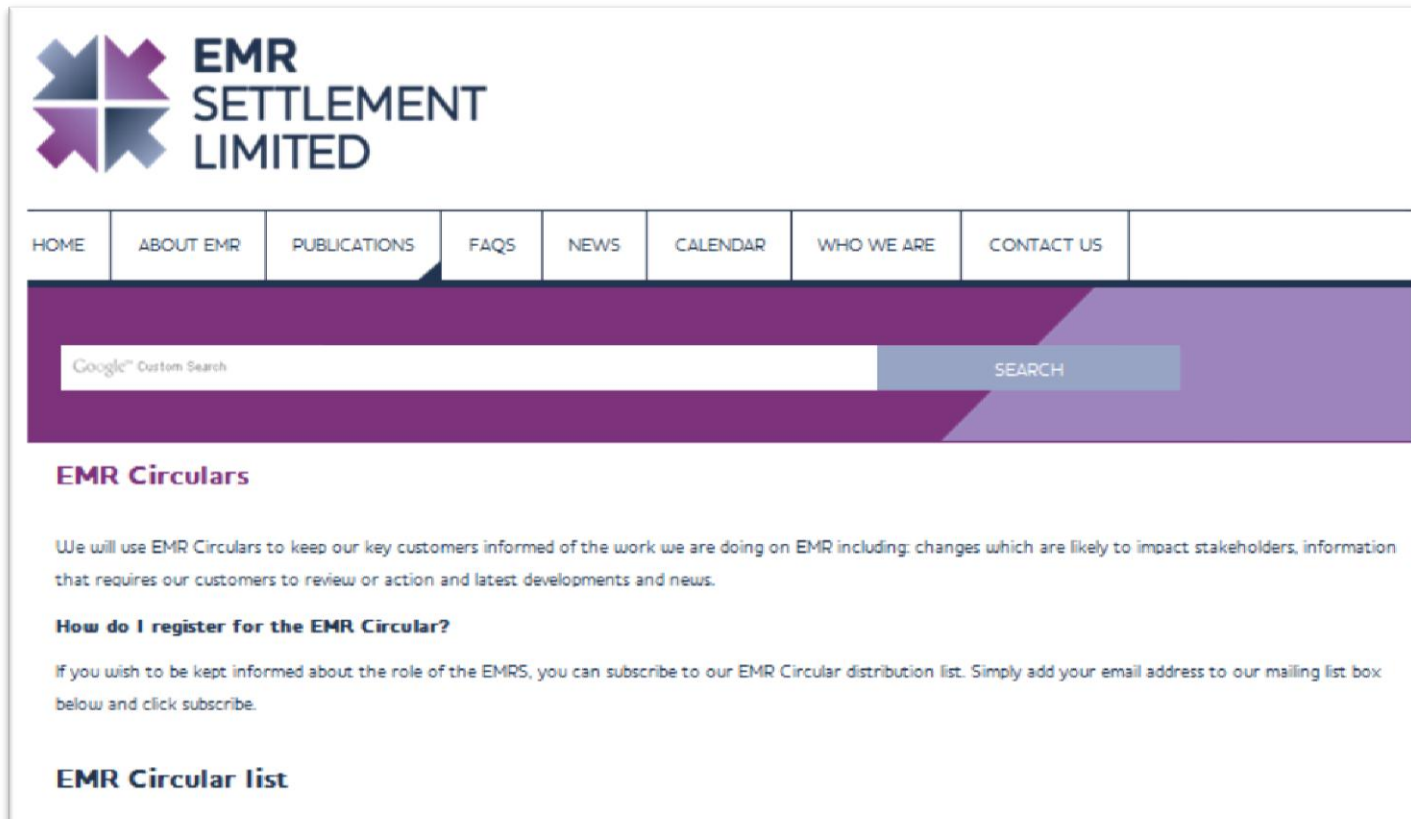
- Issue **Reserve Payment Notices** to suppliers
- Publish details about the Portal and Helpdesk
- Publish Working Practices and Guidance

EMR Settlement Website

■ EMR Settlement Website

– <http://emrsettlement.co.uk/>

- Keep updated via the following methods, **News**, **EMR Circular**, **Calendar** and the **ELEXON Newscast**



The screenshot displays the EMR Settlement Limited website. At the top left is the logo, a stylized four-pointed star in purple and blue, followed by the text "EMR SETTLEMENT LIMITED". Below the logo is a horizontal navigation menu with the following items: HOME, ABOUT EMR, PUBLICATIONS, FAQs, NEWS, CALENDAR, WHO WE ARE, and CONTACT US. Below the navigation menu is a search bar with the placeholder text "Google™ Custom Search" and a "SEARCH" button. Below the search bar is the "EMR Circulares" section, which includes the following text:

EMR Circulares

We will use EMR Circulares to keep our key customers informed of the work we are doing on EMR including: changes which are likely to impact stakeholders, information that requires our customers to review or action and latest developments and news.

How do I register for the EMR Circular?

If you wish to be kept informed about the role of the EMRS, you can subscribe to our EMR Circular distribution list. Simply add your email address to our mailing list box below and click subscribe.

EMR Circular list

Contact Information

- **All queries - Settlement Service Provider**
 - contact@emrsettlement.co.uk

- **Hannah Pargeter – EMR Customer Support**
 - Telephone – 020 7380 4025
 - hannah.pargeter@elexon.co.uk



EMR
SETTLEMENT
LIMITED