

Change Proposal – BSCP40/02	CP No: 1434 <i>Version No: 1.0</i> <i>(mandatory by BSCCo)</i>
Title (mandatory by originator) Amend the three digit numeric Line Loss Factor Class (LLFC) Id to an alphanumeric LLFC Id	
Description of Problem/Issue (mandatory by originator) <p>The Line Loss Factor Class (LLFC) Id is a three digit numeric code (INT (3)) and is part of an electricity customer’s Metering System ID (MSID), which is also known as a Meter Point Administration Number (MPAN) (but is not part of the 13-digit core MPAN), and which is traded in Settlement.</p> <p>The LLFC code has 999 codes (excluding using “000”) available for the Licenced Distribution Systems Operator (LDSO) to identify the relevant distribution use of system (DUoS) charges applicable to each customer type (low voltage, high voltage and site-specific extra-high voltage (EHV)). Rapidly increasing EHV generation customers means the number of LLFC available has been quickly reducing.</p> <p>Scottish and Southern Energy Power Distribution (SSEPD) operates embedded networks in other LDSO areas and LLFCs are used to identify its charges in each GSP Group (these generally mirrors the host LDSO charges). SSEPD operates in <u>all</u> LDSO areas and 1000 LLFCs is insufficient to cover all combinations of network connections across all voltage levels (over 2,200 LLFCs required) and limits growth. Other LDSOs may also face similar issues as they can also operate in all LDSO areas, at all voltage levels, as would independent Distribution Systems Operators (iDSOs).</p> <p>Many industry participants are currently developing a broad range of low carbon/smart grid innovations including the Smart metering roll out which will potentially require significantly more LLFCs to identify additional charging/payment tariffs. The introduction of Third Party Access to unlicensed (private) distribution networks to offer customers competitive supply requires LDSOs to facilitate provision of MSIDs and unique LLFCs to ring fence such networks for market trading.</p> <p>The current limitation of available LLFC therefore needs to be resolved.</p>	
Proposed Solution (mandatory by originator) <p>CP1434 proposes to change the 3 digit numeric (INT (3)) LLFC code to alphanumeric (CHAR (3)), excluding the use of ‘O’ and ‘I’. This will increase the LLFCs from 999 to over 39304. It is intended that all LDSOs will retain the current LLFCs in use until the limit is reached and then perhaps start with A00. This solution is considered to be the most cost effective solution. It’s believed that minimal changes are required to BSC Systems and BSC Parties billing/IT systems. Preliminary discussions with a number of parties suggest the solution is feasible.</p> <p>An alternative solution of increasing the 3 digit numeric (INT (3)) to 4 digit numeric (INT (4)) had previously been considered but was rejected on the grounds of significant costs, and material impact on BSC Parties/BSC Systems and long delivery timescales.</p>	

Justification for Change (mandatory by originator)

It is necessary to remove the current limit of 999 LLFCs to allow all market participants to trade in the electricity market without restriction. The electricity supply, generation and distribution markets are rapidly developing to facilitate greater innovation and competition, increasing access to new entrants. Distributors operating in multiple GSP Groups should be able to offer a range of tariffs for networks connected at all voltage levels. If a Distributor connected at every possible voltage level combination the number of LLFCs required to identify the applicable distribution use of system tariff would exceed the current limit of 999. If the growth in EHV generation customers continues, as expected, LDSOs will reach their LLFCs limit in the near future. SSEPD has currently 160 LLFCs available. The limit on LLFCs has also prevented SSEPD potentially developing embedded networks at other voltage levels. LDSOs over the years have rationalised their LLFCs to the extent they can.

Increasing the number of LLFCs available would promote competition in supply and distribution. The rollout of smart metering, smart grid and other innovative products will require significantly more LLFCs. Further, it is anticipated that with increasing awareness of the availability of competitive supply choice in private networks, LDSOs will require additional LLFCs.

The risk of not resolving the LLFC issue means a temporary workaround solution will be needed until an enduring solution is in place. This will impose additional billing and administration costs on BSC Parties. If an enduring solution is not achieved, LDSOs may have to seek long term workaround solutions which will impose higher costs and inefficiencies as well increase business risks. The probability of exceeding the 999 LLFCs in the near future is high with SSEPD likely to be the first.

To which section of the Code does the CP relate, and does the CP facilitate the current provisions of the Code? (mandatory by originator)

Section K 'Classification and Registration of Metering Systems and BM Units'
 Section S Annex S-2 'Supplier Volume Allocation Rules'
 Section X Annex X-2 'Technical Glossary'

Estimated Implementation Costs (mandatory by BSCCo)

It is difficult to ascertain accurate implementation costs at this stage as it affects BSC Parties in different ways. Such changes include changes to LDSOs' and Suppliers' billing systems as well as to facilitate changes to the MPAN (but not core MPAN 13-digit). Suppliers / LDSOs will incur different costs.

ELEXON will need to make changes to BSC Systems and internal systems.

A cost impact assessment is required.

Configurable Items Affected by Proposed Solution(s) (mandatory by originator)

The following will be affected:

- BSCP509 Appendix 1: MDD Entity Change Request Forms
- BSCP509 Appendix 2: MDD Change Request Entity Validation

- Market Domain Data (MDD)
- Supplier Volume Allocation Agent (SVAA) system; and
- The 'Pool Application' of the Performance Assurance Reporting and Monitoring System (PARMS)

Impact on Core Industry Documents or System Operator-Transmission Owner Code
(mandatory by originator)

Please see above Configurable Items listed.

Data Transfer Catalogue to amend the J0147 'Line Loss Factor Class Id'

System Operator Transmission Owner Code (STC) – the provision of Non Half Hourly (NHH) volumes by ELEXON to National Grid may be affected if the D0030 'Non Half Hourly DUoS Report' date flow file format is explicitly defined as this will be amended.

Related Changes and/or Projects (mandatory by BSCCo)

[P300 'Introduction of new Measurement Classes to support Half Hourly DCUSA Tariff Changes \(DCP179\)'](#) – Implementation of this CP requires LDSOs to introduces new distribution use of system tariffs and associated LLFCs.

Requested Implementation Date (mandatory by originator)

Requested implementation for **1 April 2016**.

Reason:

This will provide sufficient time for all BSC Parties to implement the changes to their systems and processes. It is believed the proposed Implementation Date will allow ELEXON / Master Registration Agreement (MRA) to deliver its changes.

Version History (mandatory by BSCCo)

Version 1.0 of CP1434 was raised on 9 March 2015.

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Attachments: Y/~~N~~

CP1434 – BSCP509 Appendix 1 draft redlined text v.0.1

CP1434 – BSCP509 Appendix 2 draft redlined text v.0.1