

Electricity Distribution & Cross Sector Policy  
Ofgem  
Commonwealth House  
32 Albion Street  
Glasgow  
G1 1LH

18<sup>th</sup> September 2020

Dear Steve,

**LCCC & ESC's response to Ofgem's call for evidence on the visibility of distributed generation connected to GB distribution networks**

The Low Carbon Contracts Company (LCCC) and The Electricity Settlements Company (ESC) are private companies wholly owned by the Secretary of State for Business, Energy and Industrial Strategy (BEIS). They perform central functions in the operation of the Contracts for Difference (CfD) and Capacity Market (CM) schemes. LCCC carries out the functions of its sister company ESC, via a cost-sharing arrangement.

LCCC & ESC welcome the opportunity to respond to the Ofgem call for evidence on the visibility of distributed generation connected to GB distribution networks which will improve the security of the GB energy network.

We wish to highlight below our key messages on the proposals in the call for evidence:

- It is our belief that details of the offtaker (market participant ID) within the A.BMU filename (Schema Element: XXXX) may be commercially sensitive and therefore cannot be published as that could lead to a breach of confidentiality.
- This will impair the completeness of the dataset of the distribution register.

We would welcome the opportunity to discuss this issue in more detail if that would be helpful to you.

Yours sincerely,

**Omer Ahmad**  
Acting Head of Policy & Insights  
Low Carbon Contracts Company  
Electricity Settlements Company

**Annex 1, Q6: What are the credible technical, regulatory (industry codes, licences and governance) and legal barriers and costs associated with increasing the data collected, stored and shared regarding DG operations, and in obligating parties to do so?**

The following extracts are taken from Elexon's guidance document Registration of BM Units for EMR<sup>1</sup>:

*Metered volumes are used in the CFD and CM Settlement calculations to determine EMR payments and charges. BM Units capture metered volumes that can be used to calculate the EMR payment and charges. BM Unit metered volumes will be used to calculate all Suppliers, some CFD Generators and some Capacity Providers' EMR charges and payments. BSC central systems, specifically the Settlement Administration Agent (SAA), will provide BM Unit metered volumes to the EMR Settlement Services Provider (EMRSSP2), who will perform the EMR settlement processes and calculations. See page 2<sup>1</sup>.*

*Small embedded generators, such as CFD generators requiring A.BMUs typically sign a Power Purchase Agreement (PPA) with a Supplier, who in this instance is known as an Offtaker. The PPA is a commercial contract whereby the generator agrees to sell some or all of his generation to the Offtaker.*

*Normally PPAs have no impact on the registration of BM Units because typically the MPANs will be part of the Suppliers Base BM Units. However, for EMR the CFD Generators Metering Systems must move from the old oftaker's A.BMU to the new oftaker's A.BMU, which requires the new Supplier to have an A.BMU registered and available (no other Assets allocated to it). See page 4<sup>1</sup>.*

As we can see from the table new additional BM unit ID schema for CfD assets. Part of the file naming convention includes the **market participant ID of the oftaker**.

New Additional BM Unit ID Schema for CFD Assets: e.g. C__ASUPP001	
Schema Element	Schema Element Description
C_	The first two characters of the BM Unit Id will identify the type of Additional BM Unit: Supplier BM Unit for CFD Assets (C_)
_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. e.g. SUPP.
nnn	Used to identify the CFD. The number increments by one for each CFD.

Table 1: new additional BM unit ID schema for CfD assets<sup>2</sup>

It is our belief that details of the **oftaker (Schema Element: XXX)** within the A.BMU filename may be commercially sensitive and therefore cannot be published as that could lead to a breach of confidentiality. This will impair the completeness of the dataset of the distribution register.

<sup>1</sup> <https://www.elexon.co.uk/documents/training-guidance/bsc-guidance-notes/registration-of-bm-units-for-electricity-market-reform-emr/> pg. 2,4

<sup>2</sup> <https://www.elexon.co.uk/documents/training-guidance/bsc-guidance-notes/registration-of-bm-units-for-electricity-market-reform-emr/p9>.