

P261 - CORRECTING AN OMISSION IN THE BSC ARISING FROM THE P216
ALTERNATIVE LEGAL TEXT

SECTION K: CLASSIFICATION AND REGISTRATION
OF METERING SYSTEMS AND BM UNITS

(Version 32.0)

Amend paragraph 1.7.14 as follows-

1.7 Line Loss Factors

- 1.7.1 Line Loss Factors applying in respect of Metering Systems on Distribution System(s) and Associated Distribution System(s) shall be established in accordance with this paragraph 1.7.
- 1.7.2 Line Loss Factors may be established for a single Metering System or for a class (of a description specified by the Licensed Distribution System Operator) of Metering System.
- 1.7.3 For the avoidance of doubt, a Line Loss Factor relating to a Metering System at a Boundary Point on a Distribution System where such Distribution System is indirectly connected to the Transmission System must, when applied to data relating to such Metering System, convert such data into a value at the Transmission System Boundary, with such Line Loss Factor to take into account distribution losses both on:
- (a) that Distribution System; and
 - (b) on the Distribution System by which it is indirectly connected to the Transmission System.
- 1.7.4 Principles ("**LLF methodology principles**") pursuant to which each Licensed Distribution System Operator shall establish a methodology ("**LLF methodology**") for calculating the Line Loss Factors applying in respect of each Metering System or any class of Metering System on its Distribution System(s) (or Associated Distribution System(s) (if applicable)) shall be contained in BSCP128.
- 1.7.5 The LLF methodology principles shall seek to balance the requirements for accuracy and consistency of Line Loss Factors and transparency in the establishment of methodologies for calculating Line Loss Factors with the requirement for administrative convenience.
- 1.7.6 Each Licensed Distribution System Operator shall:
- (a) prepare a proposed LLF methodology in accordance with BSCP128 and the LLF methodology principles and submit the proposed LLF methodology to BSCCo;
 - (b) where authorised to do so by the Panel take into account market wide issues in preparing such proposed LLF methodology; and
 - (c) in accordance with BSCP128, in respect of each BSC Year after the first year for which such LLF methodology was approved by the Panel pursuant to paragraph 1.7.7(d), either:

- (i) confirm to BSCCo that the prevailing LLF methodology remains consistent with the LLF methodology principles and has not been revised; or
- (ii) prepare a proposed revised LLF methodology in accordance with the LLF methodology principles and submit the proposed revised LLF methodology to BSCCo.

1.7.7 In relation to each BSC Year, in accordance with BSCP128:

- (a) BSCCo shall review each proposed LLF methodology (which term in this paragraph 1.7.7 shall include a proposed revised LLF methodology) submitted pursuant to paragraph 1.7.6, as to its compliance with the LLF methodology principles;
- (b) BSCCo when carrying out the review in accordance with paragraph 1.7.7(a) shall identify:
 - (i) any non-compliance in the proposed LLF methodology with the LLF methodology principles; or
 - (ii) a failure by the Licensed Distribution System Operator to submit a proposed LLF methodology or the confirmation referred to in paragraph 1.7.6(c)(i) within the required time and in accordance with the requirements of BSCP128,

and thereafter BSCCo shall so inform the Licensed Distribution System Operator and may allow the Licensed Distribution System Operator to amend or submit its proposed LLF methodology or confirmation (as applicable) within the further timescales provided in BSCP128;

- (c) BSCCo shall prepare and issue to the Panel a final report that shall:
 - (i) recommend the approval of each proposed LLF methodology where no non-compliance with the LLF methodology principles was identified or where a non-compliance that was identified has been corrected; or
 - (ii) state if any continuing non-compliance(s) were identified in the proposed LLF methodologies with the LLF methodology principles; or
 - (iii) state that the Licensed Distribution System Operator has failed (by the required time and in accordance with the requirements of BSCP128) to submit a proposed LLF methodology or (as the case may be) give the confirmation required under paragraph 1.7.6(c)(i);
- (d) the Panel shall upon receipt of the report referred to in paragraph 1.7.7(c):
 - (i) consider whether the proposed LLF methodology complies with the LLF methodology principles and, if it does so comply, approve the proposed LLF methodology; or
 - (ii) note any non-compliance(s) in respect of each proposed LLF methodology with the LLF methodology principles; or

- (iii) note that the Licensed Distribution System Operator failed by the required time and in accordance with the requirements of BSCP128 to submit a proposed LLF methodology or (as the case may be) give the confirmation required under paragraph 1.7.6(c)(i);
- (e) BSCCo shall prepare and issue to each Licensed Distribution System Operator a report relating to paragraph 1.7.7(d) which shall, in respect of that Licensed Distribution System Operator,;
 - (i) state whether their proposed LLF methodology has been approved by the Panel; or
 - (ii) identify any non-compliance(s) in their proposed LLF methodology with the LLF methodology principles that were noted by the Panel; or
 - (iii) confirm that the Panel has noted that the Licensed Distribution System Operator failed by the required time and in accordance with the requirements of BSCP128 to submit a proposed LLF methodology or (as the case may be) give the confirmation required under paragraph 1.7.6(c)(i); and
- (f) BSCCo shall prepare and provide to the Performance Assurance Board a report giving details of all non-compliance(s) noted by the Panel in accordance with paragraph 1.7.7(d)(ii) and any failure referred to in paragraph 1.7.7(d)(iii).

1.7.8 In accordance with BSCP128 each Licensed Distribution System Operator shall:

- (a) calculate Line Loss Factors in accordance with its relevant LLF methodology as approved by the Panel under paragraph 1.7.7(d); and
 - (b) submit to BSCCo such Line Loss Factors in relation to each BSC Year;
- in respect of each Metering System or class of Metering System on its Distribution System(s) (or Associated Distribution System(s) (if applicable)).

1.7.9 BSCCo shall, in relation to each BSC Year, in accordance with BSCP128:

- (a) carry out an audit, on the basis (including as to representative samples) provided in BSCP128, and in respect of the Line Loss Factors submitted by each Licensed Distribution System Operator, as to their compliance with the applicable approved LLF methodology and other requirements of the Code;
- (b) where it identifies any non-compliance by any Line Loss Factor(s) with the applicable approved LLF methodology or any other requirement of the Code, inform the Licensed Distribution System Operator of such non-compliance and allow the Licensed Distribution System Operator to amend the relevant Line Loss Factor(s) within the timescales provided in BSCP128;
- (c) prepare and issue to the Panel a final report that shall specify:
 - (i) the Line Loss Factor(s) (including any Line Loss Factor amended under paragraph (b)) for which the audit did; and
 - (ii) the Line Loss Factor(s) (including any Line Loss Factor amended under paragraph (b)) for which the audit did not,

identify a non-compliance with the applicable approved LLF methodology and other requirements of the Code;

- (d) provide to the Performance Assurance Board a copy of such report referred to in paragraph 1.7.9(c) giving details of all non-compliance(s) so identified; and
 - (e) prepare and issue to each Licensed Distribution System Operator a final report which shall specify in respect of that Licensed Distribution System Operator those matters set out in paragraphs 1.7.9(c).
- 1.7.10 The Line Loss Factors for which no non-compliance was identified in BSCCo's report under paragraph 1.7.9(c) shall be subject to the final approval of the Panel.
- 1.7.11 Each Licensed Distribution System Operator shall correct any non-compliances identified in BSCCo's report under paragraph 1.7.9(c), and report to the Panel in respect of such correction. The Panel may approve the use of a corrected Line Loss Factor(s) for the remainder of the relevant BSC Year with effect from the date of such approval, and shall notify the Performance Assurance Board and BSCCo of such approval.
- 1.7.12 In relation to any newly established Metering System(s) for which (in relation to a given BSC Year) Line Loss Factor(s) were not submitted in the annual process under paragraph 1.7.8, and which do not belong to a class of Line Loss Factor approved under paragraph 1.7.10 or 1.7.11, the procedure in paragraphs 1.7.8 to 1.7.11 shall apply but in accordance with the separate timescales set out in BSCP128.
- 1.7.13 Where and for so long as:
- (a) a Licensed Distribution System Operator fails to submit a proposed LLF methodology or the relevant confirmation under paragraph 1.7.6 or the proposed LLF methodology is not approved by the Panel; or
 - (b) the Line Loss Factor(s) in respect of any Metering System(s) are not approved by the Panel under paragraph 1.7.10 or 1.7.11;

then default values for the Line Loss Factor(s) for the relevant Metering Systems shall be determined and applied in accordance with BSCP128.

- 1.7.14 An approved Line Loss Factor shall not be revised in the BSC Year for which it is approved except:

- (a) for a Site Specific Line Loss Factor which may be revised to apply prospectively in accordance with BSCP128. The Panel may approve such revised Site Specific Line Loss Factor in accordance with BSCP128; or
- (b) for a Site Specific Line Loss Factor and/or a Generic Line Loss Factor which may be revised with retrospective effect, where such revision is required to correct material manifest errors. The Panel may approve such a revised Site Specific Line Loss Factor and/or a Generic Line Loss Factor in accordance with BSCP128. A Site Specific Line Loss Factor and/or a Generic Line Loss Factor may be retrospectively revised to apply from the beginning of the BSC Year in which the applicable material manifest error was raised, but may also be revised to apply for a lesser extent of time within the BSC Year, in accordance with BSCP128. This paragraph shall allow revisions to Site Specific Line Loss Factors and/or Generic Line Loss Factors with effect from 1 April 2010 onward, in accordance with BSCP128. For the avoidance of doubt, Site Specific Line Loss Factors and/or Generic Line Loss Factors may be revised with effect from

1 April 2010 to correct material manifest errors raised in the BSC Year commencing 1 April 2010.

SECTION X –DEFINITIONS AND INTERPRETATIONS

(Version 29.0)

Amend Section X Annex X-2 Table X-2 by inserting the following definition in alphabetical order-

<u>Generic Line Loss Factor</u>			<u>A Line Loss Factor established for a class of Metering System as provided for in Section K1.7.2.</u>
---------------------------------	--	--	---