Urgent Modification Proposal P67 ‘Facilitation of further consolidation options for Licence Exempt Generators (DTI Consolidator Working Group 'Option 4')’ Requirements Specification

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a Authorities

Version	Date	Author	Signature	Change Reference
0.0	25/01/02	Trading Development		Initial Draft

Version	Date	Reviewer	Signature	Responsibility
0.1	28/01/02	Trading Strategy		Review
0.2	30/01/02	P67 Modification Group		Review
1.0	01/02/02	BSC Parties and Party Agents		Consultation and DLIA

b Distribution

Name	Organisation
Modification Group members	
Each BSC Party	Various
Each Party Agent	Various
Core Industry Document Owners	Various

c Related Documents

Reference 1	Interim Report to the DTI of the Consolidation Working Group (January 2002)

d Intellectual Property Rights and Copyright

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1 INTRODUCTION

1.1 BACKGROUND AND SCOPE

This Requirements Specification for Modification Proposal P67 (P67) 'Facilitation of further consolidation options for Licence Exempt Generators (DTI Consolidator Working Group 'Option 4b')' forms the basis for an industry consultation and assessment of the proposed implementation and associated issues should P67 be adopted. This Requirements Specification defines the requirements for implementation of P67 without any evaluation or assessment of P67 itself. This accords with Section F 2.6.6 of the Balancing and Settlement Code (the Code).

Powergen raised P67 (which applies to both generation and demand) on 22 January 2002 and requested that this modification be treated as an Urgent Modification Proposal, in accordance with section F2.9 of the Code. This view was supported by the BSCCo (ELEXON). Following receipt of P67, the Panel Chairman sought the views of Panel members on whether P67 should be treated as urgent. Following receipt of Panel members' views, the Panel Chairman consulted with the Authority and set out a proposed process and timetable for P67. On 24 January 2002 the Authority responded to the Panel Chairman stating that it had considered the process and the timetable proposed by the BSC Panel in relation to P67 and that the Authority agreed that the timetable and process should be followed. Hence P67 is being treated as an urgent Modification Proposal in accordance with Section F 2.9 of the Code. Details of P67 are given in Annex 1.

P67 would modify the Code so that Suppliers will be able to carry out the 'Option 4b' consolidator role as described in the Interim Report to the DTI of the Consolidation Working Group (January 2002) (Reference 1). P67 seeks to address the limitations placed on consolidators due to the original Code implementation timescales and extends the functionality already available to Parties through BSCP 550 'Shared SVA Meter Arrangement of Half Hourly Import and Export Active Energy'.

1.2 PURPOSE AND STRUCTURE OF DOCUMENT

The primary purpose of this document is to specify the requirements for the requisite changes to the Code, BSC Systems, Code Subsidiary Documents, Core Industry Documents and other Configurable Items in sufficient detail to enable all impacted Parties, BSC Agents, Party Agents and documentation owners to provide an assessment of the changes required to support P67.

No impact has been identified on BSC Systems. However there will be an impact on central processes e.g. re-certification and the Certification Agent.

In particular the main purpose of this document is to specify the requirements for the requisite change in sufficient detail to allow Parties and Party Agents to provide a Detailed Level Impact Assessment (DLIA) of the following:

- An assessment of the elapsed time required to implement the necessary changes;
- An assessment of the changes which will be required to Party and Party Agent Systems; and
- A proposed implementation strategy.

For the purposes of this DLIA, Parties and Party Agents should assume that the changes will be implemented as a standalone development project managed by ELEXON.

1.3 GLOSSARY

The following acronyms have been used throughout this document:

AR	Amendment Record
BM	Balancing Mechanism
BSCCo	Balancing and Settlement Code Company
BSUoS	Balancing Services Use of System
CVA	Central Volume Allocation
CWG	Consolidation Working Group
DLIA	Detailed Level Impact Assessment
DUoS	Distribution Use of System
GSP	Grid Supply Point
HHDC	Half Hourly Data Collector
kWh	Kilowatt hour
MOA	Meter Operator Agent
MRA	Master Registration Agreement
MSID	Metering System Identifier
MVRN	Metered Volume Reallocation Notification
NETA	New Electricity Trading Arrangements
LEG	Licence Exempt Generator
SAA	Settlement Administration Agent
SVA	Supplier Volume Allocation
SVAA	Supplier Volume Aggregation Agent
TU	Trading Unit
URS	User Requirement Specification

2 REQUIREMENTS SPECIFICATION

P67 was submitted on 22 January 2002 by Powergen and seeks to modify the Code so that Parties will be able to carry out the Option 4b consolidator role as described in the Interim Report to the DTI of the Consolidation Working Group (January 2002) (Reference 1). P67 seeks to address the limitations placed on consolidators due to the original Code implementation timescales and extends the functionality already available to Parties through BSCP 550 'Shared SVA Meter Arrangement of Half Hourly Import and Export Active Energy.'

It is believed that there is no impact on the BSC Systems or for those Parties and Party Agents that do not choose to use the additional functionality. This is on the basis that the two new Allocation Methods proposed will only be of interest to those who want to split their consumption or generation in accordance with BSCP 550.

However, there is an impact on Public Distribution System Operators who will be responsible for allocating MSIDs, maintaining a record of the association between them and ensuring no duplicates exist. In addition, there may be an impact on Supplier Meter Registration Agents (SMRA) who will record and maintain registration details.

There will be an impact on one BSC Agent, namely the Certification Agent, who will oversee the re-certification process.

2.1 Requirements Specification Overview

The Code currently allows Suppliers to split both the Active Export or Import Energy metered at a site between the energy accounts of two Suppliers through the Shared SVA Meter Arrangements described in BSCP 550. In total, up to 4 Suppliers could, therefore, be registered at the site (2 for Import and 2 for Export).

P67 requires changes to the Code and a number of other documents so that 'Option 4b' is fully incorporated and the Shared Supplier functionality extended. 'Option 4b' would allow a Party (the Supplier for an embedded generator or demand) to split a fixed proportion of energy from the unpredictable variable proportion of energy and for the fixed element to be sold to one or more Parties (also Suppliers).

'Option 4b' would result in an embedded generator (or supplier of demand) being able to:

- sell one or more fixed volumes of output within a GSP Group; and
- separately sell the difference between the fixed proportion and actual generation (or demand) whether positive or negative.

'Option 4b' uses the principles outlined in BSCP550 and requires the creation of multiple pseudo MSIDs which are associated with each secondary Supplier involved in the process with the Primary Supplier. Those Half Hourly Data Collectors (HHDCs) providing this optional service will be impacted the most by P67 on the basis that they will be required to allocate the fixed and variable volumes to the Primary Supplier and the relevant Secondary Supplier(s). P67 will not remove the restriction for all those involved to be Parties. However, nothing in the proposals precludes a non-Party carrying out an agency role within these arrangements with the consent of the Primary Supplier e.g. a LEG could provide an Allocation Schedule to the HHDC.

Any Party wishing to provide this service on 1 April 2002[1] would need to appoint a HHDC who was appropriately accredited. In order to meet the implementation timescales of the Urgent Modification Proposal, any HHDC intending to provide this service must have completed re-certification before the Implementation Date. However, this would not preclude a HHDC opting to provide this service at a later date and undertake re-certification in the normal way.

2.1.1 Current Scope of Shared SVA Meter Arrangements

The Shared SVA Meter Arrangements currently allow two Suppliers to share the energy (either demand or generation) metered at a site. The sharing of the energy is carried out by the HHDC who apportions energy to the two Suppliers according to a pre-notified Allocation Schedule through the use of an additional pseudo MSID in conjunction with the original MSID of the Primary Supplier. The Allocation Schedule may not be validated until after real time. The original MSID and the additional pseudo MSIDs must be registered in the same GSP Group. The two Allocation Methods currently allowed are:

- Percentage Method; and
- (Capped) Block Method.

The **Percentage Method** allows two Suppliers, a Primary and Secondary Supplier, to split Active Energy on a percentage basis for each Settlement Period.

The Primary Supplier's volume will be calculated taking the Percentage as nominated in the Allocation Schedule for the relevant Settlement Period. The Secondary Supplier's volume will be also be the percentage indicated for him in the Allocation Schedule. The sum of the two percentages will equal 100%.

The **(Capped) Block Method** allows two Suppliers, a Primary and Secondary Supplier to split Active Energy on a capped block basis. The Primary Supplier nominates a fixed amount of kWhs and the Secondary Supplier is allocated the remainder. In circumstances where the Primary Supplier nominates an amount greater than the actual Active Import or Export Energy in a given Settlement Period, zero Active Energy will be allocated to the Secondary Supplier and the Primary Supplier will be allocated the actual Active Import or Export Energy for that Settlement Period.

In practice the most common arrangement to date is for there to be 1 import MPAN and 2 export MPANs, commonly involving 3 separate Suppliers. At present there is no practical benefit in splitting the Import energy even though this is permitted under BSCP550.

Numeric examples are given in Annex 2.

2.1.2 Proposed Extended Scope of Shared SVA Meter Arrangements

An issue that was identified prior to the NETA Go-live date was the inability of the Supplier Volume Allocation Agent's (SVAA) software to receive negative values of metered Active Energy. All Active Energy values are positive with an indication of whether they are for Import or Export purposes. This determines how the SVAA handles the data in calculating the Suppliers' BM Unit credited energy volumes.

Option 4b, as envisaged by the CWG, could allocate a fixed block of Active Energy to one or more Suppliers (Fixed Suppliers) irrespective of the actual Active Energy metered at the site.

[1] This is the effective date of the NFPA contracts.

The difference between the actual Active Energy and the fixed block would be allocated to a single Supplier (Variable Supplier). Where the actual Active Energy is less than the fixed block, the difference would be effectively negative. For an Importing site, the SVAA's inability to handle negative quantities is circumvented by recording negative Import energy as positive Export energy. For an exporting site, negative Export energy would be recorded as positive Import energy.

P67 envisages two further Allocation Methods:

- Fixed Block Method; and
- Multiple Fixed Block Method.

The **Fixed Block Method** allows two Suppliers, a Primary and Secondary Supplier to split Active Energy with one Supplier (Fixed Supplier) nominating a fixed amount of Active Energy and the other Supplier (Variable Supplier) being allocated the variable amount. Either the Primary or Secondary Supplier can be nominated as taking the fixed or variable amounts.

Where the fixed amount of Active Import or Export Energy is greater than the actual Active Energy the variable amount will be allocated to the Variable Supplier. Where there is a variance then this variance will be recorded as either an Import or Export against the Variable Supplier.

The Fixed Block Method Allocation Schedule will be deemed to be invalid if Import or Export blocks of Active Energy allocated to the Fixed Supplier are greater than the generation or demand capacity[2], as appropriate.

The **Multiple Fixed Block Method** allows more than two Suppliers, a Primary and many Secondary Suppliers to split Active Energy. The Primary Supplier can be a Supplier who nominates to take a fixed or variable amount of Active Energy with all other Suppliers being classified as Secondary Suppliers.

Under the Multiple Fixed Block Method there shall be many Suppliers (Fixed Suppliers) who nominate a fixed amount of Active Energy and one Supplier (Variable Supplier) nominated as taking the variable amount.

Where the sum of the fixed amount of Active Import or Export Energy is greater than the actual Active Energy the variable amount will be allocated to the Variable Supplier. Where there is a variance then this variance will be recorded as either an Import or Export against the Variable Supplier.

The Multiple Fixed Block Method Allocation Schedule will be deemed to be invalid if Import or Export blocks of Active Energy allocated to the Fixed Suppliers is greater than the generation or demand capacity[2], as appropriate.

Numeric examples are given in Annex 2.

The creation of the additional Allocation Methods will require a new requirement on the HHDC to acknowledge receipt of an Allocation Schedule as soon as reasonably practicable after Gate Closure (this arrangement will also apply to the two existing Allocation Methods).

For the avoidance of doubt, there will need to be one export MPAN for each Fixed Supplier, plus one export MPAN for the Variable Supplier. However there will only need to be two

[2] These terms should not be confused with Generation Capacity (GC) and Demand Capacity (DC) as defined under the Code. New definitions related to Shared SVA Meter Arrangements will be added to the Code for the purpose of implementing P67.

import MPANs, one for the Supplier supplying the normal station demand and the other for the Variable Supplier for the periods when he is a net importer.

2.1.3 Related CVA Arrangements

This change to the Shared SVA Meter Arrangements mirrors Active Energy sharing arrangements already available for sites operating in Central Volume Allocation (CVA). For sites in CVA, Meter Volume Reallocation Notifications (MVRN) can be used to transfer percentages or fixed blocks of Active Energy from a Balancing Mechanism (BM) Unit that would normally be allocated to the energy account of the Lead Party to the energy accounts of other Parties. Any number of bilateral MVRNs can be set up at a BM Unit.

Where the total volume of fixed blocks exceeds the actual Active Energy, the remainder will be a negative quantity. The CVA processes are able to accommodate this negative quantity without further manipulation.

By appropriate manipulation of MVRNs, any Party may take a similar position to that of the Variable or Fixed Supplier under the Shared SVA Meter Arrangement.

Restrictions on consumption or production size or type of connection to the system require certain meters to be registered in CVA. If a Party's consumption or generation is above this limit then the CVA alternative is available to the Party. However, if sites do not meet these requirements, the SVA mechanisms will be available to the Party.

3 CHANGES REQUIRED TO THE CODE, CODE SUBSIDIARY DOCUMENTS, OTHER CONFIGURABLE ITEMS & CORE INDUSTRY DOCUMENTS

This section defines the amendments that would be required to the BSC Systems, the Code, Code Subsidiary Documents, other configurable items and Core Industry Documents.

3.1 Code

There would be an impact on the following Sections of the Code:

- Section J 'Party Agents'
- Section K 'Classification and Registration of Metering Systems and BM Units'
- Section S, Annex S-2 'Supplier Volume Allocation Rules'
- Section X, Annex X-1, X-2, X-6 and X-7

Section S, Annex S-2 is the Section that would be primarily impacted by P67.

Changes to the Code are detailed in the draft Urgent Modification Report.

3.2 BSC Systems

No changes are required to BSC Systems on the basis that this additional mechanism would be provided by Suppliers and an HHDC and the Allocation Schedule processing would be performed outside Central Systems. However, Accreditation will be affected in that those HHDCs wishing to provide the service will be required to be re-certified.

P67 suggested that changes would be required to BSCP 512 'Entry Process – Supplier.' There will be no requirement to undergo Entry Processes (or to modify the relevant BSCP) for Suppliers or their Agents. This is on the basis that there is no current requirement to undergo Entry Processes for the current Shared SVA Meter Arrangements.

3.3 Code Subsidiary Documents

The Code Subsidiary Documents described below would be impacted and the changes required will be developed by ELEXON in parallel with the Urgent Modification process and implemented before the Implementation Date determined by the Authority.

Amendment Records (ARs) have been raised for the Code Subsidiary Documents impacted and the sub-sections below provide their numbers.

3.3.1 BSCP 550

'Shared SVA Meter Arrangement of Half Hourly Import and Export Active Energy' will require changes (AR 1177) to facilitate the two additional methods of meter splitting.

3.3.2 BSCP531

'Accreditation' and the related Self Accreditation Certification Return (SACR) forms (including the Guidance Note) will require changes (AR 1178) to reflect the two additional methods of meter splitting.

3.3.3 PSL 130

'Half Hourly Data Collection' will require changes (AR 1179) to reflect the role of the HHDC in relation to the multiple Suppliers concept introduced by P67.

3.4 Other Configurable Items

It is not believed that any changes are required to Other Configurable Items.

3.5 Changes to Core Industry Documentation

The following Core Industry Documents will be impacted and the changes required will be developed in conjunction with ELEXON, in parallel with the Urgent Modification process, and implemented before the Implementation Date.

3.5.1 Master Registration Agreement

A change to the Master Registration Agreement (MRA) will be required to remove the restriction to a single additional pseudo MSID that currently exists to support the implementation of P67.

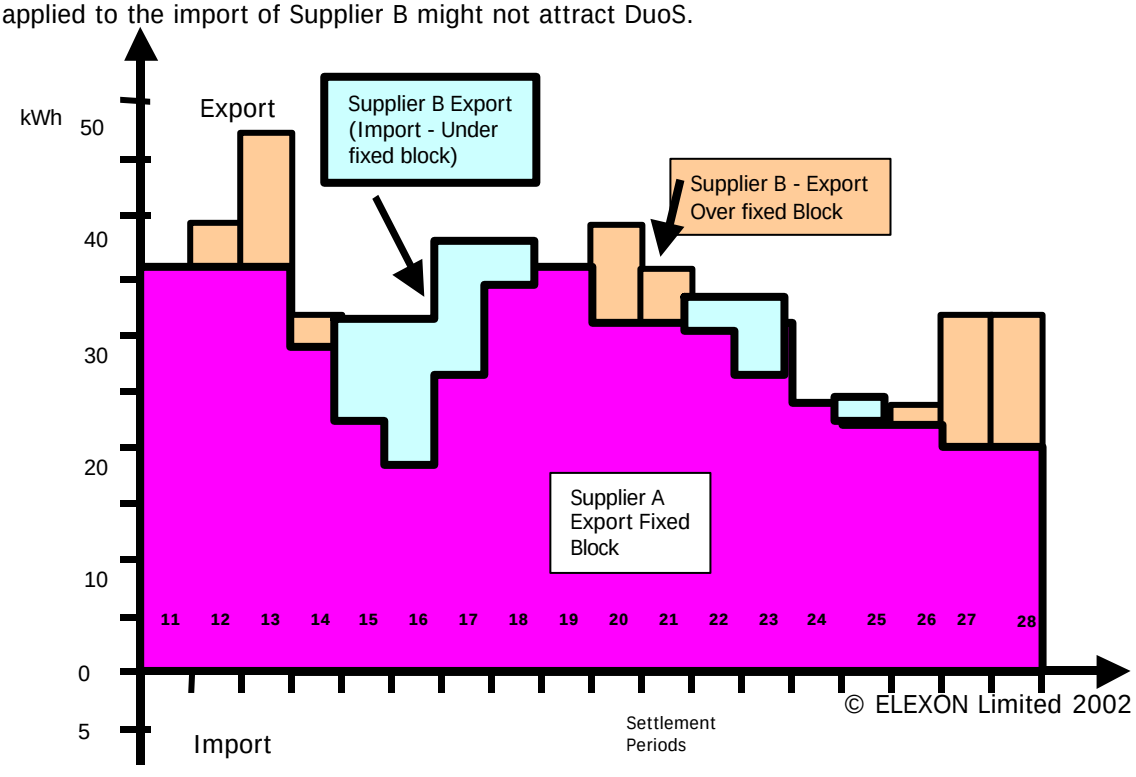
At least one PDSO has indicated concerns about an unlimited number of pseudo MPANs being created for a single metering system, and has suggested that a practical limit of no more than 9 pseudo MPANs should be permitted for each Metering System.

3.5.2 Distribution Use of System Agreements

There may be changes required to avoid DUoS charging on "virtual" energy. However, any such changes are outside the scope of the BSC Modification Report.

The additional two methods being developed for Shared SVA meter arrangements can create "virtual" energy that it may be argued should not attract a DUoS charge. If this is the case, it is expected that processes may need to be developed to address these situations.

In the example below, in Settlement Period 15 for example, virtual Exports are created for Supplier A that might not form part of the DuoS charging process. Similarly the variance applied to the import of Supplier B might not attract DuoS.



DUoS charges are not normally applied to export energy, so there should be no problem regarding the fixed and variable parts of the energy allocated against the export MPANs. However PDSO's will need to take special care to avoid charging the Variable Supplier for any pseudo net import energy. Similarly, at present daily standing charges relating to the capacity rating of the connection point are normally charged to the (single) Import MPAN and the Supplier registered to this MPAN would need to consider whether he should recharge some of these costs to the other Suppliers participating in the arrangement.

4 RELEVANT MODIFICATION PROPOSALS

Modification Proposals that are of relevance to the development of consolidator functionality include:

- P7 "Allocation Of Supplier Demand To Same BM Unit in a GSP Group"[3]
- P55 "BSC Conflicts with Consolidation of Embedded Generation in Central Volume Allocation"; and
- P62 "Changes to Facilitate Competitive Supply on the Networks of New Licensed Distributors".

In order to fully realise embedded benefits whilst registered in SVA, principally preferential BSUoS charging and losses treatments, it must be possible to combine, in a Trading Unit (TU), the output from any Licence Exempt Generator (LEG) with sufficient offsetting demand in the same GSP Group. In such circumstances, BSUoS and losses are effectively dealt with according to the net position of the Trading Unit. If treated as separate Trading Units, BSUoS and losses are treated gross.

P67 envisages that some of the output of the LEG would be allocated to a consolidator. If a consolidator were only consolidating small generators, it would not be possible to realise the above noted embedded benefits as Code Section K 4.4 would prevent this. Under P67 as currently proposed, the consolidator's BM Unit would also be a Supplier BM Unit. The changes envisaged in P7 "Allocation of Supplier Demand to Same BM Unit in a GSP Group" and the Alternative P55 "BSC Conflicts with Consolidation of Embedded Generation in Central Volume Allocation" would allow these benefits to be realised.

Legal drafting changes to P55 "BSC Conflicts with Consolidation of Embedded Generation in Central Volume Allocation" may be necessary to ensure that Suppliers participating in Shared SVA Meter Arrangements are captured by that Modification Proposal.

P62 "Changes to Facilitate Competitive Supply on the Networks of New Licensed Distributors" is currently in the Definition Procedure. P62 may create the potential for more than one Distribution System Operator to be operating in a GSP Group. This may therefore have an impact through the Distribution System Operator's obligation to maintain the association between the original MSID and any associated pseudo MSIDs created through the Shared SVA Meter Arrangements.

[3] P7 was determined by the Authority on 28 January 2002. It has no impact on P67.

5 DEVELOPMENT PROCESS

For the purposes of this assessment, Parties and Party Agents should note that the changes will be implemented as a standalone development project managed by ELEXON.

5.1 Design

ELEXON intend that responsibility for the correctness of any design should remain with those HHDCs intending to support P67, but that ELEXON should have the opportunity to review, and identify apparent inconsistencies with the requirements.

5.2 Testing of the HHDC Changes

ELEXON intend that responsibility for software testing should remain with the HHDC, but that ELEXON should have some visibility of the process, in order to gain assurance that the integrity of trading and Settlement is maintained. The following processes are proposed to achieve this:

- As part of the response to this document, the HHDC intending to utilise P67 will provide a statement of their proposed testing strategy on 1 March 2002.
- ELEXON will be provided for information with test plans, test scripts and other test documentation that they may request from the relevant HHDCs. ELEXON will review these documents, and identify any evident inconsistencies with the agreed testing strategy, but will not sign them off.
- ELEXON will have the option of witnessing appropriate elements of the HHDC testing.
- The HHDC will provide ELEXON with a test report, summarising the testing carried out, and the results of those tests. The report will also describe any defects found during testing, and the steps taken to resolve them.

5.3 Implementation

On the basis that P67 is being progressed as an Urgent Modification Proposal, it is necessary that changes to the Code, Code Subsidiary Documents and Core Industry Documents are in place prior to the proposed Implementation Date.

Additionally, any HHDC who wishes to utilise P67 will need to have successfully completed re-certification for the new elements that are being introduced via P67.

ANNEX 1: THE MODIFICATION PROPOSAL

Modification Proposal	**MP No: P67** *(mandatory by BSCCo)*

Title of Modification Proposal *(mandatory by proposer)***:**

Facilitation of further consolidation options for Licence Exempt Generators (DTI Consolidation Working Group 'Option 4')

Submission Date *(mandatory by proposer)***:** 11th January 2002

Description of Proposed Modification *(mandatory by proposer)***:**

This Modification Proposal proposes changes to the Code and the related Code Subsidiary Documents so that consolidation method 'Option 4', as outlined in the Interim Report to the DTI of the Consolidation Working Group, can be incorporated into the BSC. The modification provides an additional mechanism to allow the output of an Exemptable Generating Plant to be split into a fixed amount of energy and an unpredictable variable amount of energy.

Option 4 would result in an embedded generator being able to manage directly:

- The sale of a fixed volume of output within a GSP Group to one or more Parties; and
- The sale of the difference between the fixed proportion and actual generation as either an export or an import to another Party.

Option 4 uses the principles outlined in BSCP550 'Shared SVA Meter Arrangement of Half Hourly Import and Export Active Energy' and requires the creation of potentially multiple pseudo MPANs which are associated with each secondary Supplier involved in the process with the primary Supplier. The relevant Half Hourly Data Collector (HHDC) will be impacted the most by this Modification Proposal on the basis that it will be required to allocate the fixed and variable volume to the primary Supplier and the relevant secondary Suppliers.

Any Party wishing to provide this service would need to appoint a HHDC that was appropriately accredited.

This Modification Proposal would require changes to the Code and a number of Code Subsidiary Documents including:

- BSCP512 'Entry Process – Supplier';
- BSCP531 'Accreditation' and the related Self Accreditation Certification Return (SACR) forms;
- BSCP550 'Shared SVA Meter Arrangement of Half Hourly Import and Export Active Energy'; and
- PSL130 'Half Hourly Data Collection'.

Description of Issue or Defect that Modification Proposal Seeks to Address *(mandatory by proposer)***:**

The Consolidation Working Group (CWG) has presented its interim report to the DTI. This states as its main finding that "the principle obstacle to consolidation is the inability to sell fixed volumes without becoming a Party to the BSC".

Whilst fixed volume trades may be accommodated by the use of MVRNs, some participants feel that option 4 would give more control to the Licence Exempt Generator.

Option 4 was discussed extensively with various industry groups in the design phase of NETA and was endorsed in the Ofgem/DTI Conclusions Document on NETA, published in October 1999. Following publication of this document, the Special Experts Group (SpEG) further developed Option 4. However, because of time constraints imposed in the run up to the NETA Go Live, the proposed trading arrangement was not implemented. This issue has been reconsidered by the CWG. The CWG's preferred initial solution is option 4b), which allows the

Modification Proposal	MP No: P67 *(mandatory by BSCCo)*

split and allocation of volumes at the data collector.

In these circumstances the Modification Proposal must be raised by a BSC Party. Powergen has therefore agreed to raise this Modification Proposal on behalf of the CWG.

Impact on Code *(optional by proposer)*:

Annex S-2 'Supplier Volume Allocation Rules' of Section S of the Code.

Impact on Core Industry Documents *(optional by proposer)*:

There may be an impact on the Master Registration Agreement documentation.

Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties *(optional by proposer)*:

There are no software changes required to the BSC Systems to support this Modification Proposal.

This Modification Proposal is optional and will be used by those Parties who choose to provide embedded generation via a licensed Supplier. Any Party choosing to offer this service, will be required to appoint an appropriately accredited HHDC. The HHDC will be the most impacted by this Modification Proposal as the HHDC system will require changes to enable the split of the fixed volume from the variable volume. The HHDC will then continue with the collection processes in line with BSCP550. There is no impact on the remaining Settlement processes.

Impact on other Configurable Items *(optional by proposer)*:

Justification for Proposed Modification with Reference to Applicable BSC Objectives *(mandatory by proposer)*:

To enable greater flexibility for embedded generators to sell their output, thereby further promoting competition in the generation market.

Details of Proposer:

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Details of Proposer's Representative:

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Attachments: **No**

ANNEX 2: NUMERIC EXAMPLES

Percentage Method:

Settlement Period		Active Energy	Primary Supplier	Secondary Supplier
13	%	100	70	30
	kWh	30	21	9
14	%	100	60	40
	kWh	20	12	8
15	%	100	80	20
	kWh	40	32	8

Capped Block Method:

Settlement Period	Active Energy kWh	Primary Supplier Nominated kWh	Primary Supplier Actual kWh	Secondary Supplier Actual kWh
13	100	60	60	40
14	20	30	20	0
15	40	40	40	0
16	0	40	0	0

Fixed Block Method:

In this example the Active Energy is Export, the same principle is applicable to Import.

Settlement Period	Active Energy kWh	Fixed Supplier Nominated kWh	Fixed Supplier kWh	Variable Supplier kWh	
	Export	Export	Export	Export	Import
13	100	60	60	40	0
14	50	40	40	10	0
15	20	30	30	0	10
16	0	60	60	0	60

Multiple Fixed Block Method:

In this example the Active Energy is Export and the group of Fixed Suppliers are identified as Fixed Supplier A, B, C, D and E.

Settlement Period	Active Energy kWh Export	Fixed Suppliers kWh Export					Variable Supplier kWh	
		A	B	C	D	E	Export	Import
13	100	10	5	20	15	10	40	0
14	50	5	10	15	10	10	0	0
15	20	2	8	5	5	10	0	10
16	0	2	8	5	5	10	0	30