

Balancing and Settlement Code

BSC Procedure

Production, Submission, Audit and Approval of Line Loss Factors

BSCP128

~~Version 3.0~~

Effective Date: ~~30 June 2011~~

BSC Procedure 128**Production, Submission, Audit and Approval of Line Loss Factors**

1. Reference is made to the Balancing and Settlement Code (the Code) for the Electricity Industry in Great Britain and, in particular, to the definition of "BSC Procedure".
2. This is BSCP128 ~~Version 3.0~~, relating to Production, Submission, Audit and Approval of Line Loss Factors.
3. This BSC Procedure is effective from ~~30 June 2011~~.
4. This BSC Procedure has been approved by the Panel.

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AMENDMENT RECORD

Version	Date	Description of Changes	Changes Included	Mods/ Panel/ Committee Refs
1.0	20/04/09	First Published	P216	153/04
2.0	24/06/10	June 10 Release	CP1326	ISG111/03 SVG111/01
3.0	30/06/11	June 11 Release	CP1343	SVG122/02 ISG122/03

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1. INTRODUCTION

1.1 Purpose

This BSC Procedure (BSCP) defines the procedure by which Line Loss Factor (LLF) methodologies submitted by Licensed Distribution System Operators (LDSOs, including Host LDSOs and Embedded LDSOs) are reviewed by BSCCo, presented to the Panel for approval and, where appropriate, reported to the Performance Assurance Board (PAB).

It also defines the procedure by which LLF values submitted by LDSOs are audited by BSCCo, presented to the Panel for approval and provided to the Central Data Collection Agent (CDCA) or the Supplier Volume Allocation Agent (SVAA) for use in Settlement (they are also made available to Half Hourly Data Aggregators (HHDAs) for use in Settlement). The results of this audit are reported to the PAB.

This BSCP also describes the key interfaces and timetable and responsibilities for the main parties involved.

This BSCP128 supersedes BSCP28 (Approval and Notification of CVA Line Loss Factors) and BSCP528 (SVA Line Loss Factors for Half Hourly and Non-Half Hourly Metering Systems registered in SMRS).

1.2 Main Users of the Procedure and their Responsibilities

The main users of this procedure are summarised in the table below:

Central Volume Allocation Agency (CVA) Metering Systems	Supplier Volume Allocation Agency (SVA) Metering Systems
BSCCo	BSCCo
LDSO	LDSO
Registrant	SVAA
CDCA	Suppliers
Panel	HHDAs
	Panel

Each LDSO shall obtain approval for CVA and SVA LLFs applicable to Metering Systems registered in the CMRS and SMRS respectively. The stages for obtaining approval are outlined below:

1.2.1 LLF Methodology Submission and Review

Each Host LDSO and Embedded LDSO that does not Mirror shall prepare and submit a methodology for calculating LLFs that complies with the LLF Methodology Principles in accordance with Section 3.1, along with the Methodology Self-assessment Document (MSAD, Appendix 1 providing evidence of compliance (or non-compliance)).

Each Embedded LDSO that Mirrors the methodology of a Host LDSO or Mirrors the methodology on an Embedded LDSO that does not Mirror, must provide BSCCo with the details of each methodology that they intend to Mirror. Additionally they must include any information requested by BSCCo. The Embedded LDSO that Mirrors will submit this information within the MSAD (Appendix 2), which is tailored specifically for Embedded LDSOs that Mirror.

BSCCo shall review each methodology against the LLF Methodology Principles and will liaise with the relevant LDSO so that during this process, the LDSO can correct and BSCCo re-review any non-compliances, before the final report is issued to the Panel.

1.2.2 Approval of Methodology

BSCCo shall report the results of the review to the Panel and recommend the approval of each compliant methodology. The Panel shall approve the compliant methodologies and note any non-compliances. BSCCo shall report any non-compliance(s) to PAB who shall manage the identified non-compliances, existing at the end of the methodology review, in line with the current Risk Operating Plan (ROP). BSCCo shall report the outcome of the Panel meeting to the LDSO. Once a methodology has been approved subsequent reviews will only take place if the LDSO has changed the methodology, however the LDSO must confirm to BSCCo each year that its methodology has not been revised. Any LDSO whose methodology does not comply with the LLF Methodology Principles will be considered non-compliant with the Balancing and Settlement Code (Code).

1.2.3 LLF Submission and Calculation Audit

Following approval of the LLF Methodology, each Host LDSO and Embedded LDSO that does not Mirror shall calculate the LLFs in accordance with the approved methodology and submit these to BSCCo along with the Calculation Self-assessment Document (CSAD, Appendix 3, providing evidence of compliance with the LLF methodology principles. BSCCo shall conduct an audit on the calculation of the LLFs created using the approved methodology for each submission.

BSCCo shall publish LLFs submitted by Host LDSOs and Embedded LDSOs that do not Mirror, via the BSC Website. Embedded LDSOs that Mirror the LLFs of such LDSOs, can obtain these LLFs from the BSC Website, and then make their LLF submission along with a CSAD (Appendix 4, tailored specifically for Embedded LDSOs that Mirror, to BSCCo. BSCCo shall conduct an audit of the LLF values against the relevant approved methodology.

BSCCo shall liaise with the LDSO so that during the audit process, the LDSO can correct any non-compliances and BSCCo re-audit, before a final report is issued to the Panel.

When requesting approval of a new LLFC Id, in accordance with BSCP509, the LDSO shall submit its SVA LLFs and a completed CSAD to BSCCo. Where the registration of a Metering System is being transferred from SMRS to CMRS, then the LDSO shall use this BSCP128 to apply for the approval of CVA LLFs applicable to the Metering System to be registered in the CMRS.

1.2.4 Approval of LLFs

BSCCo shall report the audited LLFs to the Panel. The Panel shall approve LLFs for use in Settlement and, where LLFs have not passed the calculation audit, BSCCo shall recommend

default values to be approved by the Panel, in accordance with the rules in Section 3.3. BSCCo shall report the outcome of the Panel meeting to the LDSO. The LDSO shall correct any non-compliance(s) and submit revised LLFs, which the Panel may approve for the remainder of the relevant BSC year.

BSCCo shall provide a copy of the report presented to the Panel with details of any non-compliance(s) to PAB. PAB shall manage the identified non-compliances existing at the end of the LLF audit, in line with the current Risk Operating Plan.

1.2.5 Implementation of LLFs for use in Settlement

BSCCo shall provide the CDCA with approved CVA LLFs for entry into the CDCA system for CVA Metering Systems for use in Settlement.

BSCCo shall provide the SVAA with approved SVA LLFs for entry into the SVAA systems for Non-Half Hourly Metering Systems for use in Settlement.

BSCCo shall also publish approved LLFs on the BSC Website. Half Hourly Data Aggregators shall obtain and implement approved SVA LLFs for use in Settlement for Half Hourly Metering Systems.

1.3 Key Milestones

The key milestones in this procedure are:

- (a) Submission of methodologies in accordance with Section 2.1 or Section 2.2;
- (b) Review of methodologies in accordance with Section 2.1 or Section 2.2;
- (c) Approval of methodologies in accordance with Section 2.1 or Section 2.2;
- (d) Submission of Line Loss Factors in accordance with Section 2.3 or Section 2.4;
- (e) Audit of Line Loss Factors in accordance with Section 2.3 or Section 2.4;
- (f) Approval of LLFs in accordance with Section 2.3 or Section 2.4; and
- (g) Notification of Approved LLFs to CDCA/SVAA in accordance with Section 2.3.

1.4 Balancing and Settlement Code Provision

This BSCP should be read in conjunction with the Code and in particular Sections K, R and Annex S-2.

This BSC Procedure has been produced in accordance with the provisions of the Code. In the event of an inconsistency between the provisions of this BSC Procedure and the Code, the provisions of the Code shall prevail.

1.5 Associated BSC Procedures

CVA Metering Systems

BSCP15 - BM Unit Registration

BSCP25 - Registration of Transmission System Boundary Points, Grid Supply Points, GSP Groups and Distribution Systems Connection Points

BSCP38 - Authorisations

BSCP68 - Transfer of Registration of Metering Systems between CMRS and SMRS

BSCP75 - Registration of Meter Aggregation Rules for Volume Allocation Units

BSCP515 - Licensed Distribution

SVA Metering Systems

BSCP38 - Authorisations

BSCP68 - Transfer of Registration of Metering Systems between CMRS and SMRS

BSCP503 - Half Hourly Data Aggregation For Metering Systems Registered in SMRS.

BSCP508 - Supplier Volume Allocation Agent.

BSCP509 - Changes to Market Domain Data

BSCP515 - Licensed Distribution

1.6 Use of the Procedure

Throughout this BSCP, timetables reflect the number of Working Days (WD) by which an activity should be completed, and may refer to the Effective From Date (EFD), being the day on which the approved LLF comes into use in Settlement.

1.7 Assistance with using the Procedure

Where assistance is required in the use of this BSCP the user should, in the first instance, contact their BSC Change Administrator (BCA). Where queries cannot be answered by the BCA, contact should be made with the BSC Service Desk.

1.8 Acronyms and Definitions

1.8.1 Acronyms

BCA	Balancing and Settlement Code Change Administrator
BSCCo	BSC Company
BSCP	Balancing and Settlement Code Procedure
CMRS	Central Meter Registration Service
Code	Balancing and Settlement Code
CDCA	Central Data Collection Agency
CVA	Central Volume Allocation
CVA LLF(s)	CVA Line Loss Factor(s)
EFD	Effective From Date
GSP	Grid Supply Point
GSPG	Grid Supply Point Group
HHDA(s)	Half Hourly Data Aggregator(s)
Id	Identifier
LDSO	Licensed Distribution System Operator ¹
LLF	Line Loss Factor
LLFC Id(s)	Line Loss Factor Class Identifier(s)
LLFC(s)	Line Loss Factor Class (es)
MDD	Market Domain Data
MSID	Metering System Identifier
SMRS	Supplier Meter Registration Service
SVA	Supplier Volume Allocation
SVA LLF(s)	SVA Line Loss Factor(s)
SVAA	Supplier Volume Allocation Agent
WD	Working Day

¹ This includes both Host LDSOs and Embedded LDSOs.

1.8.2 Definitions

Full definitions of the above acronyms are, where appropriate, included in the Balancing and Settlement Code.

Extra High Voltage (EHV)	As defined in the LDSO's approved LLF methodology.
Embedded LDSO	A LDSO operating an independent distribution network connected to a Host LDSO's distribution network ² . e.g. This includes both independent LDSOs; and Host LDSOs that are operating outside their geographical area.
Day (Generic)	As defined in each Distribution System Operator's Methodology Statement.
Generic LLF	The adjustment factor applied to the readings from a (group of) metering system(s) to adjust for losses on the distribution network and calculate the associated amount of energy at the GSP.
LLFC Group (Generic)	A group of Line Loss Factor Classes that share the same generic set of Line Loss Factors.
Night (Generic)	Hours of the Settlement Day not covered by Day (Generic).
Host LDSO	A LDSO operating a distribution network that is directly connected to the Transmission System in their own distribution licence area.
High Voltage (HV)	As defined in the LDSO's approved LLF methodology excluding those high-voltage metered sites defined as EHV sites.
Low Voltage (LV)	As defined in the Special Conditions of a distribution licence granted pursuant to section 6(1)(c) of the Electricity Act 1989.
Manifest error: Retrospective changes	An unambiguous error in the application of the approved methodology, in the calculation input data or corruption of the LLF values in the submission process in such a way that there is a material impact on Settlement or a material impact to the advantage or detriment of the customer.
Material impact: Retrospective changes	An impact or estimated impact that has a value or estimated value of over £500.
Mirror/Mirroring	Where the Embedded LDSO replicates the Generic Line Loss Factors of the relevant Host LDSO for their own specified LLFCs for the GSP Group.
Non-Technical Losses	Losses other than Technical Losses.
Registrant	See BSC Annex X-1
<u>Remote Audit</u>	<u>An audit that is not performed at the LDSO's offices but is performed using data requests to review records and conduct interviews remotely</u>

² An Embedded LDSO may also operate an independent distribution network that is connected to Host LDSO's distribution network via another Embedded LDSO's network (known as a nested network). Furthermore, an Embedded LDSO may also operate an independent distribution network that is connected to Transmission System within a Host LDSO's geographic distribution area.

Site Specific LLF	Where the Line Loss Factor is calculated for an individual Metering System and represents distribution losses specific to Metered Volumes measured by that Metering System.
Site Specific: Material Change	A Material Change (that occurs mid year) to the physical plant, apparatus, or distribution network that causes a significant change to the Technical Losses specific to the Metered Volumes measured by the Metering System as determined by the Panel.
Site Specific: Relevant Change	A significant change to the physical plant, apparatus, distribution network, or capacity that causes a change to the Line Loss Factors. This is used to determine whether Site Specific LLFs shall be recalculated for the annual LLF submission.
Technical Losses	Technical Losses are losses caused by the intrinsic electrical characteristics internal to the power system and consist mainly of power dissipation in electrical system components such as transmission lines, power transformers and measurement systems.

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2. INTERFACE AND TIMETABLE INFORMATION

2.1 Methodology Review for Host LDSOs and Embedded LDSOs that do not Mirror

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.1.1	By 1 August prior to the relevant BSC year	Submit proposed methodology and MSAD, or MSAD only where there has been no change since the methodology was last approved.	LDSO	BSCCo	MSAD and methodology or MSAD confirming continued use of approved methodology in accordance with Appendix 1.	Email or other electronic means
2.1.2	Within 2 WD of 2.1.1	Acknowledge receipt of methodology and MSAD, or confirmation that there has been no change since the methodology was last approved. If the methodology has not changed, proceed to Ref (2.1.6) below. Or if incomplete information has been received from LDSO contact LDSO to advise of any further information required; or advise LDSO that no methodology has been submitted.	BSCCo	LDSO	Confirmation of receipt and notification of any initial concerns; or notification of failure to submit methodology.	Email, telephone or other electronic means
2.1.3	Within 5 WD of 2.1.1	Review methodology for compliance with the LLF Methodology Principles in accordance with Section 3.1 and provide draft report highlighting any non-compliance(s); or confirmation of continued use of approved methodology has been submitted.	BSCCo	LDSO	Methodology, MSAD, draft LDSO report, any non-compliances or confirmation of continued use of approved methodology.	Email or other electronic means

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.1.4	Within 5 WD of 2.1.3	Resolve any identified non-compliance(s) and submit updated methodology and MSAD; or submit methodology and MSAD if not submitted by deadline; or submit MSAD confirming continued use of existing approved methodology.	LDSO	BSCCo	MSAD, updated methodology, evidence of resolved non-compliance(s), methodology or MSAD confirming continued use of approved methodology.	Email, telephone or other electronic means
2.1.5	Within 15 WD of 2.1.1	If non-compliance(s) have been identified, review submission in Ref (2.1.4). Provide report with confirmation of compliance or non-compliance.	BSCCo	LDSO	LDSO report.	Email, telephone or other electronic means
2.1.6	To meet Panel requirements	Submit a final report to Panel stating: (a) Recommendations for the approval of each methodology with no non-compliance(s) or corrected non-compliance(s); or (b) Any continued non-compliance(s); or (c) Any failures to submit methodology or confirmation of continued use of approved methodology.	BSCCo	Panel	Final report.	Email or other electronic means

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.1.7	Within 1 WD of 2.1.6	Review report submitted in Ref (2.1.6) and: Approve methodologies with no outstanding non-compliance(s); and Note any non-compliance(s); and Note any failures to submit a methodology or confirmation of continued use of existing approved methodology.	Panel	BSCCo	Final report and Panel decision.	-
2.1.8	Within 5 WD of 2.1.7	Notify each LDSO stating whether the Panel: Approved the methodology; or Noted any non-compliance(s); or Noted the failure to submit a methodology; or Noted the failure to submit confirmation of continued use of existing approved methodology.	BSCCo	LDSO	Notification detailing the Panel's decision.	Email or other electronic means
2.1.9	To meet PAB requirements	Provide report detailing non-compliance(s) or failures to submit a methodology or failure to confirm continued use of existing approved methodology.	BSCCo	PAB	Report detailing non-compliance(s) and failures.	Email or other electronic means

2.2 Methodology Review – Embedded LDSOs that Mirror

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.2.1	By 1 August prior to relevant BSC year	If Embedded LDSO Mirrors Host or Embedded LDSO LLFs, submit details of methodology (or methodologies) to Mirror.	Embedded LDSO	BSCCo	Confirmation of Mirroring Host or Embedded LDSO methodology and MSAD, in accordance with Appendix 2.	Email or other electronic means
2.2.2	Within 2 WD of 2.2.1	Acknowledge receipt of notification to Mirror. Or where incomplete information received from Embedded LDSO contact Embedded LDSO to advise of any further information required.	BSCCo	Embedded LDSO	Confirmation of receipt and notification of any initial concerns.	Email, telephone or other electronic means
2.2.3	To meet Panel requirements	Submit a Panel paper stating: (a) The Embedded LDSO shall Mirror Host or Embedded LDSO methodology (or methodologies). (b) Any failures to submit notification to Mirror Host or Embedded LDSO methodology.	BSCCo	Panel	Report.	Email or other electronic means
2.2.4	Within 1 WD of 2.2.3	Review report submitted in Ref (2.2.3) and: Note any interaction with Host or Embedded LDSO Methodologies reviewed in 2.1.7 and any non-compliance(s); and Note any failures to notify BSCCo that the Embedded LDSO will Mirror Host or Embedded LDSO methodology (or methodologies).	Panel	BSCCo	Report detailing Panel decision.	

2.3 Annual Submission and Audit of Line Loss Factors (CVA and SVA) – Host LDSOs and Embedded LDSOs that do not Mirror

REF.	WHEN ³	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.3.1	By 1 September	If LLF methodology has been approved, <u>submit data request for Remote Audit or propose dates to conduct a site visit⁴</u> . If LLF methodology has not been approved, <u>submit data request for Remote Audit or</u> agree site visit dates as soon as any outstanding non-compliance(s) have been resolved.	BSCCo	LDSO	<u>Data request⁵ or d</u> ates for site visit.	Email, telephone or other electronic means
2.3.2	By 10 September	<u>If a site visit is required</u> Agree date for site visit as required, agree date(s) with BSCCo. Where a date has not been agreed by this time BSCCo shall determine a suitable date for the site visit. <u>If a data request for Remote Audit has been provided, confirm that the data can be provided by 30 September.</u>	LDSO	BSCCo	<u>Data request or d</u> ates for site visit.	Email, telephone or other electronic means

³ Changes to the timescales set out below can be made at the discretion of BSCCo when CVA LLF approval is necessary in less than 40 WD before the Effective Date to carry out BM Unit Registrations and Registration transfers from SMRS to CMRS.

⁴ ~~A site visit may not be required if no LLFs have been re-calculated. Where a site visit is required the calculation audit will be conducted between 1 October and 30 November.~~

⁵ The data request will include a list of Metering Systems to be audited for the correct application of LLFC.

REF.	WHEN ³	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.3.3	By 30 September	Submit calculated LLFs ⁶ in accordance with the approved methodology and completed CSAD ⁷ signed by an authorised signatory. Additionally, if there has been a change to a Line Loss Factor Class (LLFC) for an SVA submission then submit appropriate changes in accordance with BSCP509.	LDSO	BSCCo	CSAD (Appendix 3) signed by an authorised person in accordance with BSCP38 and: (a) If CVA Submission: CVA Long or Short Format data files, in accordance with Appendix 5; and/or (b) If SVA Submission: SVA Format data file (D0265) in accordance with Appendix 6 and information in accordance with BSCP509 if MDD changes are required.	Email or other electronic means
2.3.4	Within 2 WD of 2.3.3	Acknowledge receipt of CSAD and LLFs and confirm authorised signature.	BSCCo	LDSO	Confirmation of receipt and authorised signature.	Email, telephone or other electronic means
2.3.5	Within 10 WD of 2.3.3 ⁸	Provide SVA LLF summary report to Host LDSOs and/or Embedded LDSOs that do not Mirror.	BSCCo	LDSO	Summary Report for SVA LLFs in accordance with Appendix 7.	Email or other electronic means
2.3.6	Within 10 WD of 2.3.3	Publish submitted LLFs on the BSC Website with a status of 'pending'.	BSCCo		SVA LLF Summary Report and: (a) If CVA Submission: CDCA-I022 data files; and/or (b) If SVA Submission: D0265 data files.	BSC Website

⁶ Separate Site Specific LLFs for Import and Export Metering Systems may be applied in accordance with BSCP75.

⁷ Please note that the CSAD covers both CVA LLFs and SVA LLFs and the data request.

⁸ If Host LDSO LLFs (or LLFs submitted by Embedded LDSOs that do not Mirror) have not been submitted by 30 September, provide summary report of LLFs after 5 WD from the date of Host LDSO LLF submission (or LLF submission by Embedded LDSOs that do not Mirror).

REF.	WHEN ³	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.3.7	Between 1 October and 20 November on date agreed in Ref (2.3.2) above	Conduct calculation audit in accordance with Section 3.5. ^{9,10} If LLFs have been re-calculated conduct audit on LDSO site including spot checks on MSIDs. ¹¹	BSCCo		CSAD and: (a) If CVA Submission: CDCA-I022 data file; and/or (b) If SVA Submission: D0265 data file.	CSAD review, LLF validation system, site visits
2.3.8	Within 5 WD of calculation audit ¹²	Provide draft audit report highlighting any identified non-compliance(s).	BSCCo	LDSO	Draft LDSO report.	Email or other electronic means
2.3.9	Within 15 WD of calculation audit	Resolve any non-compliance(s) identified in Ref (2.3.8) and notify BSCCo.	LDSO	BSCCo	Any further information required and evidence of resolved non-compliance(s).	Email, telephone or other electronic means

⁹ The calculation audit may involve further exchange of information between BSCCo and the LDSO to clarify, correct and re-audit any non-compliance(s). The LDSO shall use reasonable endeavours to provide any information requested by BSCCo. BSCCo will feedback to the LDSO the results of the review of the CSAD and the validation of the LLFs ~~prior to site visit~~ to enable the LDSO to address and identify non-compliances at an early stage. ~~As part of the site visit~~ BSCCo may also wish to target certain areas of the LDSO systems and processes to seek evidence on whether the LDSO has addressed these non-compliance(s).

¹⁰ Where revised LLF values for existing sites have been submitted mid-year prior to commencement of the current submission cycle and are awaiting approval by the Panel, BSCCo shall include the LLF values in the calculation audit.

¹¹ ~~Where LLFs have not been re-calculated, BSCCo may conduct a site visit when required.~~

¹² ~~Where no site visit is required the calculation audit will be limited in scope.~~

REF.	WHEN ³	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.3.10	By 10 December	Submit any revised LLFs to address any outstanding non-compliance(s).	LDSO	BSCCo	Any revised LLFs as required and final CSAD with evidence of resolved non-compliance(s). Final CSAD signed by an authorised person in accordance with BSCP38 and: (a) If CVA re-submission: CVA Long or Short Format data files in accordance with Appendix 5; and/or (b) If SVA re-submission: SVA Format data file (D0265) in accordance with Appendix 6 and information in accordance with BSCP509 if MDD changes are required.	Email or other electronic means
2.3.11	By 31 December	Conduct calculation audit on revised submission.	BSCCo	-	CSAD and: (a) If CVA Submission: CDCA-I022 data file; and/or (b) If SVA Submission: D0265 data file.	CSAD review, LLF validation system
2.3.12	By 31 December.	Provide final audit report and confirmation of compliance or non-compliance.	BSCCo	LDSO	Final LDSO report.	Email, telephone or other electronic means.

REF.	WHEN ³	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.3.13	By 31 December	Publish revised LLFs on the BSC Website with a status of 'pending'.	BSCCo		SVA LLF Summary Report and: (a) If CVA Submission: CDCA-I022 data files; and/or (b) If SVA Submission: D0265 data files.	BSC Website
2.3.14	To meet Panel Requirements	Submit a final report specifying the LLFs for which the audit did not identify non-compliance(s) (including resolved non-compliance(s)) and the LLFs for which the audit identified non-compliance(s) including any default values requiring approval ¹³ . Where MDD changes have been identified submit notice in accordance with BSCP509 that there has been (or is due to be) a change to MDD for Panel approval.	BSCCo	Panel	Final report, any default values and any MDD changes.	Email or other electronic means
2.3.15	To meet Panel Requirements	Approve LLFs with no identified non-compliance(s) and note any non-compliant LLFs in Ref (2.3.14) above. Approve default values for any non-compliant LLFs.	Panel	BSCCo	LLFs, Final report and any default values.	-
2.3.16	Within 1 WD of 2.3.15	Notify Panel decision.	Panel	BSCCo	Panel decision.	-
2.3.17	To meet PAB requirements	Provide a copy of the final report in Ref (2.3.14) giving details of any non-compliance(s).	BSCCo	PAB	Final report in Ref (2.3.14) with details of any non-compliance(s).	

¹³ Where no methodology has been approved, default LLFs shall be presented to the Panel for approval.

REF.	WHEN ³	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.3.18	Within 2 WD of 2.3.16	Provide a final report for the LDSO stating whether the Panel: Approved LLFs with no outstanding non-compliance(s); or Noted any continued non-compliance(s) and approved default values.	BSCCo	LDSO	Final report detailing Panel approval of LLFs; any default values and any continued non-compliance(s).	Email or other electronic means
2.3.19	As agreed between BSCCo and the LDSO	If the Panel has noted any non-compliance(s), liaise with BSCCo to correct and re-submit LLFs. ¹⁴	LDSO	BSCCo	Any revised LLFs as required and final CSAD with evidence of resolved non-compliance(s).	Email or other electronic means
2.3.20	Within 2 WD of 2.3.16	Notify Parties of LLFs approved by the Panel.	BSCCo	Parties	LLFs approved by the Panel (including any default LLFs).	Email or other electronic means
2.3.21	Within 2 WD of 2.3.16	Update LLFs on BSC Website to be utilised in Settlement, when either: (a) The Panel has approved the submission, update LLFs and EFD; or (b) If the Panel has approved default values, update LLFs to default values to be used in Settlement and EFD. If SVA submission only – BSCCo should proceed to Ref (2.3.28). If both CVA and SVA submission then – BSCCo should proceed from Ref (2.3.24) onwards.	BSCCo	-	Confirmation of Panel decision, LLFs and default values for non-approved LLFs.	Electronic means
2.3.22	Within 5 WD of 2.3.21	Obtain LLFs for the LLFCs from BSC Website.	-	HHDAs/Suppliers	D0265 data files.	BSC Website

¹⁴ As appropriate, BSCCo shall present the corrected LLFs to Panel for approval and inform PAB of the Panel outcome.

REF.	WHEN ³	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.3.23	Within 10 WD of 2.3.22	HHDAs and Suppliers implement into systems.	HHDAs/ Suppliers	-	D0265 data files.	-
2.3.24	By 10 March.	Provide CDCA with CVA LLFs for use in Settlement: (a) If the Panel has approved the CVA LLF submission, provide CVA LLFs and EFD; or (b) If the Panel has approved default values, provide default CVA LLF values and EFD.	BSCCo	CDCA	Confirmation of approval of CVA LLFs and EFD contained in CDCA-I022 data files; or CVA Metering System ID, CDCA-I022 data files and EFD.	Email or other electronic means
2.3.25	Within 1 WD of 2.3.24	Acknowledge receipt of CVA LLFs and notify BSCCo of any exceptions via the CDCA-I023 data file.	CDCA	BSCCo	CDCA-I023 data file.	Email or other electronic means
2.3.26	Within a timescale agreed between CDCA and BSCCo	Implement approved CVA LLFs in accordance with CDCA-I022 data files supplied in Ref (2.3.24) above into CDCA systems.	CDCA	-	CDCA-I022 data files.	-
2.3.27	Within 1 WD of 2.3.26	Notify BSCCo of successful CDCA-I022 load.	CDCA	BSCCo	-	Email or other electronic means
2.3.28	By 10 March.	Provide SVAA with SVA LLFs for use in Settlement: (a) If the Panel has approved the SVA LLF submission, provide SVA LLFs and EFD; or (b) If the Panel has approved default values, provide default SVA LLF values and EFD.	BSCCo	SVAA	Confirmation of approval of SVA LLFs and EFD contained in D0265 data files; or D0265 data files, default values and EFD.	Email or other electronic means

REF.	WHEN ³	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.3.29	Within 1 WD of 2.4.28	Acknowledge receipt of SVA LLFs.	SVAA	BSCCo	-	Email or other electronic means
2.3.30	Within a timescale agreed between SVAA and BSCCo	Implement approved SVA LLFs in accordance with D0265 data files supplied in Ref (2.3.28) above into SVAA systems.	SVAA		D0265 data files.	Email or other electronic means
2.3.31	Within 1 WD of 2.3.30	Notify BSCCo of successful D0265 data file load.	SVAA	BSCCo	-	Email or other electronic means

2.4 Annual Submission and Audit of LLFs – Embedded LDSOs that Mirror

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.4.1	By 1 September	If LLF methodology has been approved, propose suitable dates to conduct site visit¹⁵ —. If LLF methodology has not been approved, agree site visit dates as soon as any outstanding non-compliance(s) have been resolved. Provide list of <u>Metering Systems to be audited for the correct application of LLFC.</u>	BSCCo	Embedded LDSO	Dates for site visit. <u>List of Metering Systems</u>	Email, telephone or other electronic means
2.4.2	By 10 <u>30</u> September	Agree date for site visit as required. Where a date has not been agreed by this time BSCCo shall determine a suitable date for the site visit. Confirm <u>LLFC and voltage for each Metering System in list provided by BSCCo.</u>	Embedded LDSO	BSCCo	List of Metering Systems <u>Dates for site visit.</u>	Email, telephone or other electronic means
2.4.3	Between By 10 October <u>10 September and 30 November on date agreed in Ref (2.4.2) above</u>	Check a representative sample of Metering Systems are assigned to the correct LLFC.	BSCCo	-	MSAD <u>Metering System sample</u>	<u>Email, other electronic means or Site visit</u>
2.4.4	By 10 October <u>Within 5 WD of 2.4.3</u>	Provide Metering System sample report highlighting any non-compliance(s).	BSCCo	Embedded LDSO	Metering System sample report.	Email or other electronic means
2.4.5	By 31 December	Resolve any identified non-compliance(s) in Ref (2.4.4) and notify BSCCo.	Embedded LDSO	BSCCo	Any further information required and evidence of resolved non-compliance(s).	Email, telephone or other electronic means

¹⁵ A representative sample of Metering Systems will be checked for the correct LLFC on the Embedded LDSO site visit.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.4.6	By 31 December + 10 WD	Obtain LLFs submitted by the relevant Host LDSO(s) or Embedded LDSOs that do not Mirror; and submit LLFs ⁶⁵ and CSAD in accordance with approved Host LDSO or Embedded LDSO methodology.	Embedded LDSO	BSCCo	LDSO's submitted LLFs; and CSAD for Embedded LDSOs that Mirror in accordance with Appendix 4, signed by an authorised person in accordance with BSCP38; and (a) If CVA Submission: CVA Long or Short Format data files in accordance with Appendix 5; and/or (b) If SVA Submission: SVA Format data file (D0265) in accordance with Appendix 6 and information in accordance with BSCP509 if MDD changes are required.	BSC Website or Host LDSO or Embedded LDSO that does not Mirror Email or other electronic means
2.4.7	Within 2 WD of 2.4.6	Acknowledge receipt of CSAD and LLFs and confirm authorised signature.	BSCCo	Embedded LDSO	Confirmation of receipt and authorised signature.	-
2.4.8	Within 4 WD of 2.4.6	Conduct LLF Calculation Audit	BSCCo	-	CSAD and: (a) If CVA submission: CVA Long or Short Format data files or other format agreed with BSCCo; and/or (b) If SVA submission: D0265 data files or other format agreed with BSCCo.	LLF Validation System, Host LDSO LLF submissions

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.4.9	Within 6 WD of 2.4.6	Provide draft audit report highlighting any non-compliance(s).	BSCCo	Embedded LDSO	Draft LDSO report.	Email or other electronic means
2.4.10	Within 10 WD of 2.4.9	Resolve any identified non-compliance(s) in Ref (2.4.9) and notify BSCCo.	Embedded LDSO	BSCCo	Any further information required and evidence of resolved non-compliance(s).	Email, telephone or other electronic means
2.4.11	At same time as 2.4.10	Submit any revised LLFs to address any outstanding non-compliance(s).	Embedded LDSO	BSCCo	Any revised LLFs as required and final CSAD with evidence of resolved non-compliance(s). Final CSAD signed by an authorised person in accordance with BSCP38 and: (a) If CVA re-submission: CVA Long or Short Format data files in accordance with Appendix 5; and/or (b) If SVA re-submission: SVA Format data file (D0265) and information in accordance with BSCP509 if MDD changes are required.	Email or other electronic means
2.4.12	Within 4 WD of 2.4.10	Conduct calculation audit on revised submission.	BSCCo	-	-	CSAD review, LLF validation system.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.4.13	Within 6 WD of 2.4.10	Produce final audit report and confirmation of compliance or non-compliance. Proceed to Section 2.3 of this BSCP and continue onwards from Ref (2.3.14) to complete the submission and audit process.	BSCCo	Embedded LDSO	Final LDSO report.	Email or other electronic means

2.5 Mid-year submission of new and revised LLFs¹⁶

REF.	WHEN ³³	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.5.1	>= EFD-50 WD if mid-year submission for new site; or >=EFD-40 WD if mid-year submission of revised LLFs for an existing site	Submit calculated LLFs in accordance with the approved methodology and completed CSAD ⁷⁶ signed by an authorised signatory.	LDSO	BSCCo	CSAD signed by an authorised person in accordance with BSCP38; and (a) If CVA Submission: CVA Long or Short Format data files in accordance with Appendix 5; and/or (b) If SVA Submission: SVA Format data file (D0265) and information in accordance with BSCP509 if MDD changes are required	Email or other electronic means
2.5.2	Within 2 WD of 2.5.1	Acknowledge receipt of CSAD and LLFs and confirm authorised signature.	BSCCo	LDSO	Confirmation of receipt and authorised signature.	Email or telephone
2.5.3	Within 5 WD of 2.5.1	Conduct calculation audit. ^{98 1+} ₅	BSCCo		CSAD and (a) If CVA submission: CVA Long or Short Format data files; and/or (b) If SVA submission: D0265 data files.	LLF validation system ₅ ; site visits
2.5.4	Within 5 WD of 2.5.3	Produce final report and confirmation of compliance or non-compliance. Proceed to Ref (2.3.15).	BSCCo	LDSO	Final Report.	Email or other electronic means

¹⁶ Mid year submission of revised LLFs are subject to the criteria defined in the LLF Methodology Principles 14, 15 and 16, see Appendix 3.1.

3. SUPPORTING INFORMATION

3.1 LLF Methodology Principles

All LLF methodologies are required to comply with the Principles described below:

1. LLFs shall be calculated using a generic (non Site Specific) method except for:
 - (a) Sites that are connected at Extra High Voltage (EHV); or
 - (b) Where the customer has requested a Site Specific LLF, and the LDSO is in agreement.
2. All LLFs shall be calculated to at least 3 decimal places and submitted to 3 decimal places.
3. All Site Specific LLFs shall account for Technical Losses only.
4. All Generic LLFs shall account for all losses (Technical and Non Technical).
5. Site Specific losses and the total Grid Supply Point Group (GSPG) losses shall be considered in the calculation of Generic LLFs.¹⁷
6. Non-EHV Generic LLFs for Import and Export at the same site where the voltage level is the same shall have the same values.
7. There shall be no more than 2 Low Voltage (LV) and 2 High Voltage (HV) Generic LLFC Groups, in each GSPG, and at least 1 Generic EHV LLFC Group.
8. As a minimum, Generic LLFs shall be calculated separately for Day and Night.
9. LDSOs shall utilise Settlement data from a Settlement Run at R3 or greater and from a complete 12-month period, for calculating Generic LLFs. The 12-month period to be used shall be the BSC Year¹⁸ 3 years prior to the BSC Year for which the LLFs are being calculated.
10. Adjustments to calculation or application of LLFs, to take into account historic market wide issues noted in the BSC Auditor's latest Report, can only be made if agreed to be appropriate by the Panel.
11. Robust error detection and correction processes shall be in place throughout the calculation and submission of LLFs.
12. All Generic LLFs shall be re-calculated at least every 2 years.
13. All Site Specific LLFs shall be re-calculated when there has been a relevant change to the site or network, and at least every 5 years.¹⁹

¹⁷ This principle allows Site Specific Losses to be calculated individually or in aggregate and then used in the calculation of Generic LLFs.

¹⁸ This principle only applies to the calculation of Generic LLFs. The BSC Year is 1 April to 31 March, LLFs for use in the BSC Year commencing 1 April 2011 should be calculated using the Settlement Data from the 2008 BSC Year, 1 April 2008 to 31 March 2009.

¹⁹ Appendix 3.4 provides clarification on how this should be implemented.

14. No changes shall be made to approved Generic LLFs mid year. Annual updates will have an effective from date of 1 April. Where default LLFs have been applied due to an audit failure, these may be replaced with approved LLFs on a prospective basis as determined when the LLFs resubmitted by the LDSO have been approved by the Panel.
15. No retrospective changes shall be made to approved Site Specific or Generic LLFs other than to correct material manifest errors.
16. Changes shall only be made to approved Site Specific LLFs mid year if there has been a material change affecting the site; and the revised LLFs have been approved by the Panel. Annual updates will have an effective from date of 1 April. Where default LLFs have been applied due to an audit failure, these may be updated to the approved LLFs on a prospective basis as determined from time to time by the Panel.

3.2 Guidelines for the approval of LLF Values

The BSCCo will employ the following guidelines in its submission of LLFs to the Panel for approval:

- (a) The methodology employed by the LDSO has been approved;
- (b) The LLF values have been calculated in accordance with the approved methodology;
- (c) The LLF values have been audited and any outstanding non-compliance(s) have been resolved; and
- (d) Where appropriate, default LLF values are provided in accordance with Section 3.3 below.

LLF values that fail any part of the audit shall not be approved.

3.3 Use of Default Values

For all non-approved Site Specific LLFs and Generic LLFs default values shall be applied in the order of precedence below:

- (a) The values shall be the last approved LLFs;
- (b) Where there are no previously approved Site Specific LLFs, the default values shall be the approved Generic LLFC Group LLFs for the equivalent voltage level;
- (c) Where there are no previously approved Generic LLFs, the default values shall be set to 1.000 (unity);

Default values shall continue to apply until such time as the LDSO submits a set of LLFs which are approved by the Panel, whereupon the new approved LLFs shall be applied on a prospective basis only;

For existing Site Specific LLFs or a Generic LLFC Group the previously approved LLFs shall continue to apply until such time as the LDSO submits a new set of LLFs which are approved by the Panel, whereupon the new approved LLFs shall be applied on a prospective basis only.

The default LLFs are applied on an equivalent day for day basis, for example, the previously approved LLFs for 1st January will be the default LLFs for the next 1st January. Where default LLFs have to be applied to 29th February, the previously approved LLFs for 28th February will be used;

On occasions when winter/summer or summer/winter clock changes become involved:

- (i) If the day on which default LLFs are to be applied is a clock change day, the set of LLFs approved for the corresponding clock change day in previous year shall be used; or
- (ii) If, when attempting to apply a default value, the corresponding day in the previous year is found to be a clock change day, the LLFs approved for the day immediately after that clock change day shall be used;

If, after attempting to apply the rules in (b) to (c), there is no data available from the corresponding Settlement Period in the previous year, a default LLF of 1.000 shall be applied.

In each instance, the default LLFs shall only be replaced by approved LLFs notified in accordance with Section 2.3.21.

3.4 Recalculation of LLFs

The LDSO shall employ the following guidelines when recalculating LLFs:

- (a) Site Specific LLFs which have been recalculated in the last 5 years, will only need to be recalculated when this 5 years is complete, even if the last recalculation was completed before 20 April 2009;
- (b) Site Specific LLFs which have not been recalculated in the last 5 years prior to 20 April 2009, will need to be recalculated for the second LLF submission following this date; and
- (c) New Site Specific LLFs (for new sites, or sites that have moved to Site Specific LLFs as a result of Principle 1) must be calculated for the first LLF submission following 20 April 2009.

3.5 LLF Calculation Audit Scope

The LLF Calculation audit²⁰ covers the checks outlined below:

1. Confirm all LLFs submitted have effective from dates of 1 April;
2. Confirm that CVA and SVA LLFs were submitted by a Category X Signatory;
3. Confirm all LLFs submitted are calculated to at least 3 decimal places and submitted to 3 decimal places (as per Principle 2);

²⁰ BSCCo will use a LLF validation system to conduct a number of the validation checks as outlined in this section.

4. Confirm data files are in the correct formats:
 - (a) For CVA LLFs, confirm that the long and/or short format files are in accordance with the format defined in Appendix 5;
 - (b) For SVA LLFs, confirm that the D0265 file is in accordance with the format defined in the Data Transfer Catalogue (DTC) in Appendix 6.
5. Confirm that the number of Settlement Periods for each Settlement Date matches the number of LLFs submitted for that date;
6. Confirm that all SVA LLFC IDs submitted are entered in MDD or an application has been made to do so and that LLFs have been submitted for all LLFCs contained in MDD;
7. Conduct a validation check, which will pick out²¹:
 - (a) All SVA LLFs which are <0.750 or >1.250 .
 - (b) All CVA LLFs which are <0.750 or >1.250 .
 - (c) All revised SVA LLFs which are outside a range specified as:
 $\{\text{last year's LLF minus } 20\% \text{ of last year's loss}^{22}\}$ to $\{\text{last year's LLF plus } 20\% \text{ of last year's loss}\}$;

Examples:

- (i) if last year's LLF was 1.050, the valid range for this year would be 1.040 – 1.060; and
- (ii) if last year's LLF was 0.950, the valid range for this year would be 0.940 – 0.960.
- (d) All revised CVA LLFs which are outside a range specified as:
 $\{\text{last year's LLF minus } 50\% \text{ of last year's loss}^{22}\}$ to $\{\text{last year's LLF plus } 100\% \text{ of last year's loss}\}$;

Examples:

- (i) if last year's LLF was 1.050, the valid range for this year would be 1.025 – 1.100; and
- (ii) if last year's LLF was 0.950, the valid range for this year would be 0.900 – 0.975.
- (e) All sites with new CVA or SVA Site Specific LLFs (that were not included in last year's submission).

²¹ For checks 7(a) to 7(e) BSCCo shall compare the value submitted by the LDSO with a previous factor for a similar time period.

²² The loss refers to the proportion of energy lost as a result of electricity flowing through the Distribution System.

8. Check a representative sample of LLFs to confirm that they have been calculated in accordance with the audited methodology. This check ~~will~~may be performed at the LDSO's offices²³, and will include discussions with the LDSO and consideration of the audit trail.
9. Check a representative sample of Metering Systems to confirm that the correct LLFC has been applied. This check ~~will~~may be performed at the LDSO's offices. For clarity, this check will look at the application of an LLFC to Metering Systems during the last year.

3.6 Appendices

Methodology Self Assessment Documents

Appendix 1: Methodology Self-Assessment Document (MSAD) for Host LDSOs and Embedded LDSOs that do not Mirror.

Appendix 2: Methodology Self-Assessment Document (MSAD) for Embedded LDSOs that Mirror.

Calculation Self Assessment Documents

Appendix 3: Calculation Self-Assessment Document (CSAD) for Host LDSOs and Embedded LDSOs that do not Mirror.

Appendix 4: Calculation Self-Assessment Document (CSAD) for Embedded LDSOs that Mirror.

LLF Submission forms

Appendix 5: CVA Long and Short Format data files.

Appendix 6: SVA Format data file (D0265).

SVA LLF Summary Report

Appendix 7: SVA Summary Report.

²³ An Embedded LDSO that mirrors LLFs calculated by the relevant Host LDSO will not require a site visit as no calculation has been performed. The calculation audit for Embedded LDSOs that Mirror LLFs will check a representative sample of LLFs to confirm that the LLFs have been Mirrored correctly.