
TYPE & NUMBER EMR Circular 41

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To EMR Circular List

From EMR Settlement Limited

Purpose For Information

Update on the BSC Changes to support Energy Intensive Industry for Electricity Market Reform

This circular informs you that:

- [The Electricity Supplier Obligations \(Amendment & Excluded Electricity\) Regulations 2015](#) came into force on 1 April 2015 which introduces the Energy Intensive Industry (EII) and green excluded electricity policy.
- To support these changes:
 - The Balancing and Settlement Code (BSC) changes will be implemented as part of the June 2015 Release, on the 25 June 2015.
 - The Data Transfer Catalogue (DTC) changes for DTC CP 3458 'Reporting of Excluded Energy Volumes in the CFD Supplier Invoice Backing Data Flow D0362' is currently targeted for implementation in the November 2015 Release.

The EII policy forms part of the Contracts for Difference (CFD) EMR policy, and is designed to exempt eligible EIIs from a proportion of CFD payments. The earliest the EII exemptions can apply will be the 1 October 2015. We've communicated about this topic previously via [EMRC30](#) and [EMRC22](#).

Green excluded electricity policy is designed to exempt eligible imported renewable electricity from contributing to the costs of CFDs, specifically a Supplier's CFD period contribution.

Who does this impact?

The Electricity Supplier Obligations (Amendment & Excluded Electricity) Regulations 2015 places new obligations on Suppliers.

The changes to the BSC and the DTC will impact:

- Suppliers
- Half Hourly Data Aggregators

This will also be of interest to EIIs.

What changes will be implemented to the BSC for EII?

These are the BSC Sections and Code Subsidiary Documents (CSDs) impacted:

- Section F – Modification Procedures
- Section K – Classification and Registration of Metering Systems and BM Units
- Section S – Supplier Volume Allocation
- Section X – Annex X-1 – General Glossary

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- BSCP503: Half Hourly Data Aggregation for SVA Metering Systems Registered in SMRS

You can find the redlined BSC changes for DECC's EII policy on the [ELEXON website](#).

What Data Transfer Catalogue changes have been raised?

DTC CP 3458 'Reporting of Excluded Energy Volumes in the CFD Supplier Invoice Backing Data Flow D0362' was raised at the MRA Development Board (MRA) on Thursday 26 February 2015. This change includes the following:

- Makes changes to the name and description of some existing data items necessary to clarify that the data items are reporting excluded EII energy volumes, and do not include green energy volumes.
- Makes changes to the D0362 data flow so that green energy volumes can be reported. Introduces 6 new data items.

The MDB agreed to 30 working day impact assessments for both CPs. A decision for the CPs is due to be presented at the April 2015 MDB meeting for decision, on the 30 April 2015.

Currently the targeted implementation for these changes is November 2015 Release. To view these change proposals and associated redlining, available on the [EMRS website](#).

What are the next steps?

We'll provide updates on these next steps via subsequent circulars.

- Provide an update following the April 2015 MDB meeting to confirm the decision for the DTC CP 3458 'Reporting of Excluded Energy Volumes in the CFD Supplier Invoice Backing Data Flow D0362'.
- Publish supporting guidance for Suppliers how the exemption will be applied to CFD payments and include details on which CFD payments this applies.
- Publish supporting guidance for both Suppliers and HHDA's how the BSC changes operate.

The earliest the EII exemptions apply will be 1 October 2015.

Where can I get more information?

If you have any further questions about this circular, please email contact@emrsettlement.co.uk. Find out more about our role in EMR on the [EMR Settlement website](#).