

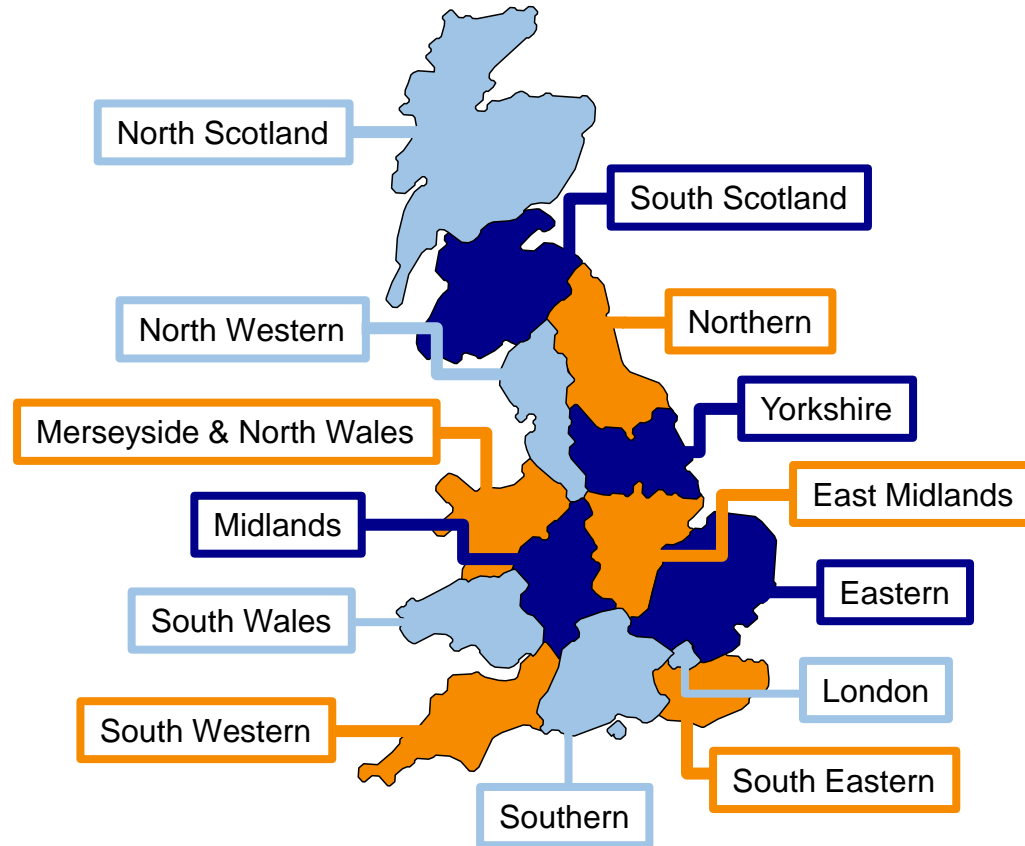
ELELEXION

Group Correction Factors (GCFs) in Electricity Settlement

Introduction to GCFs, and how are they are
used in Electricity Settlement

December 2021

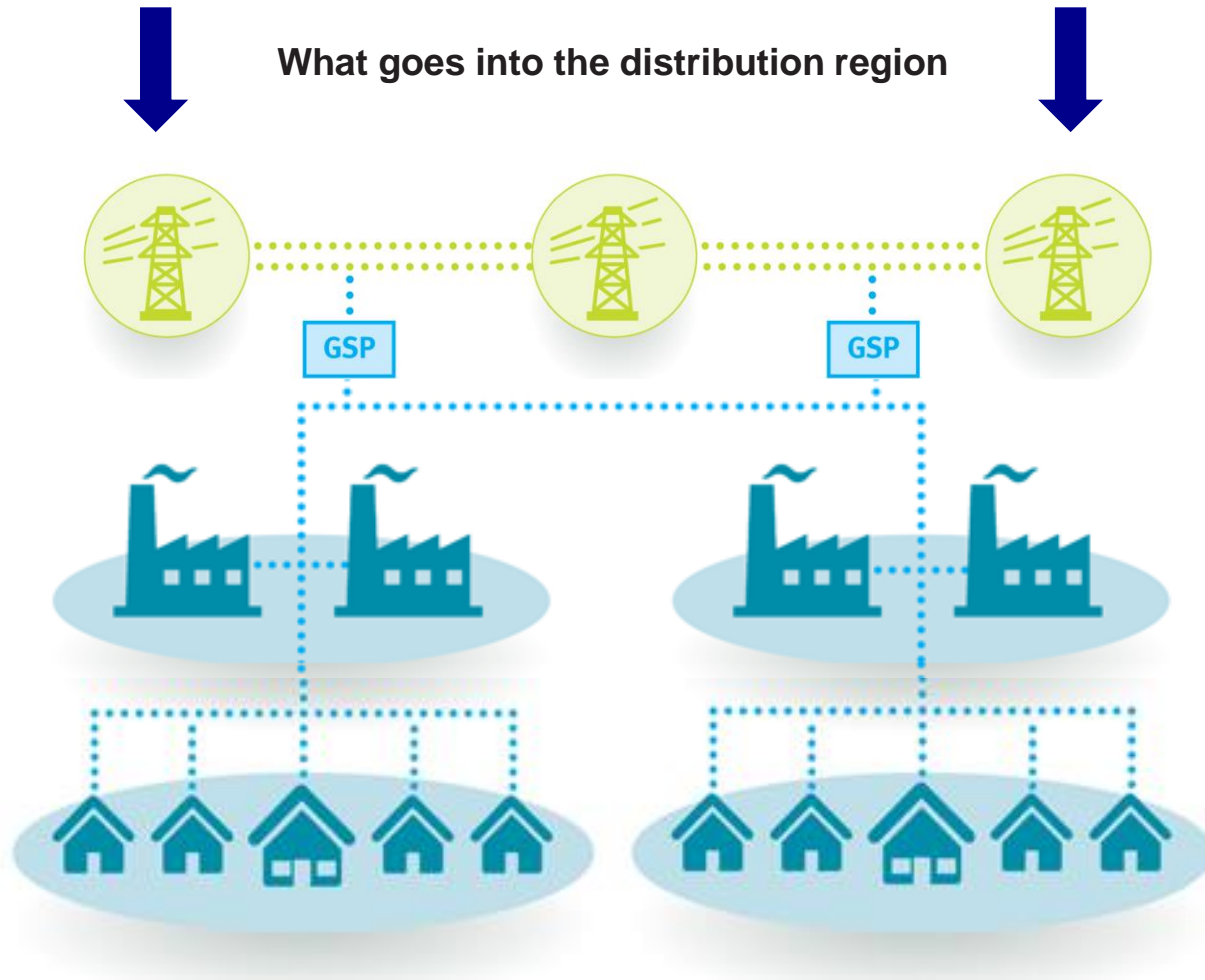
Grid Supply Point (GSP) Groups



14 Distribution Networks take energy from the Transmission Network at defined Grid Supply Points.

These networks are also known as GSP Groups.

GSP Group Take – top down and bottom up

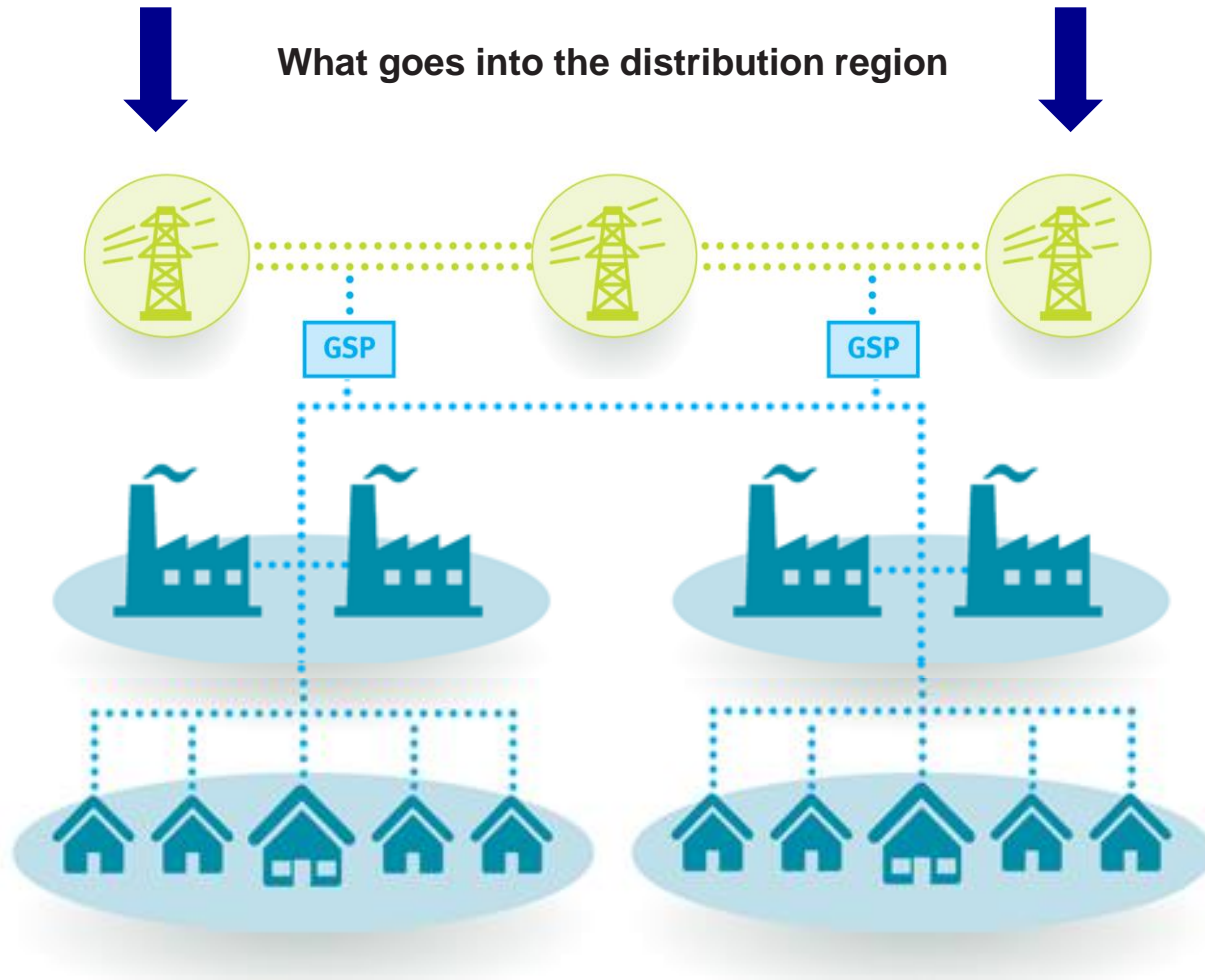


Using GSP meter reads, we work out what energy enters (or leaves) each Distribution Network per Settlement Period. This is called **Group Take**.

All Parties meter reads taken within the GSP Group should equal the Group Take.

However, this does not always happen ...

GSP Group Take – top down and bottom up



When there is a difference between a GSP's Group Take, and the metered volumes received by Parties, a correction needs to be applied.

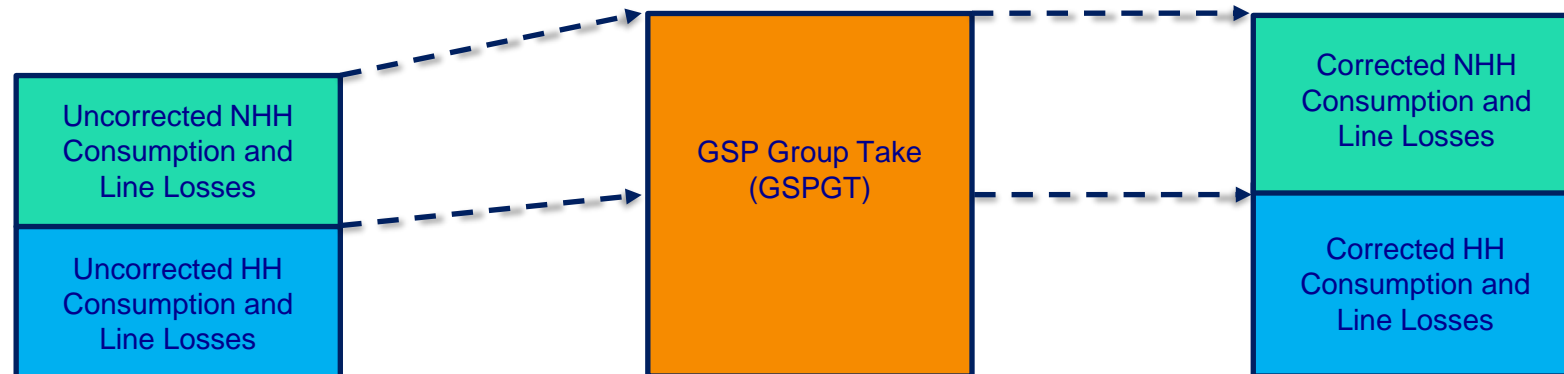
GSP Group Correction Factors scale metered volumes up or down, so that the total of the corrected volumes equals the GSP Group Take.

As such, any errors are effectively 'smeared' across Parties according to their market shares in that GSP Group and Settlement Period.

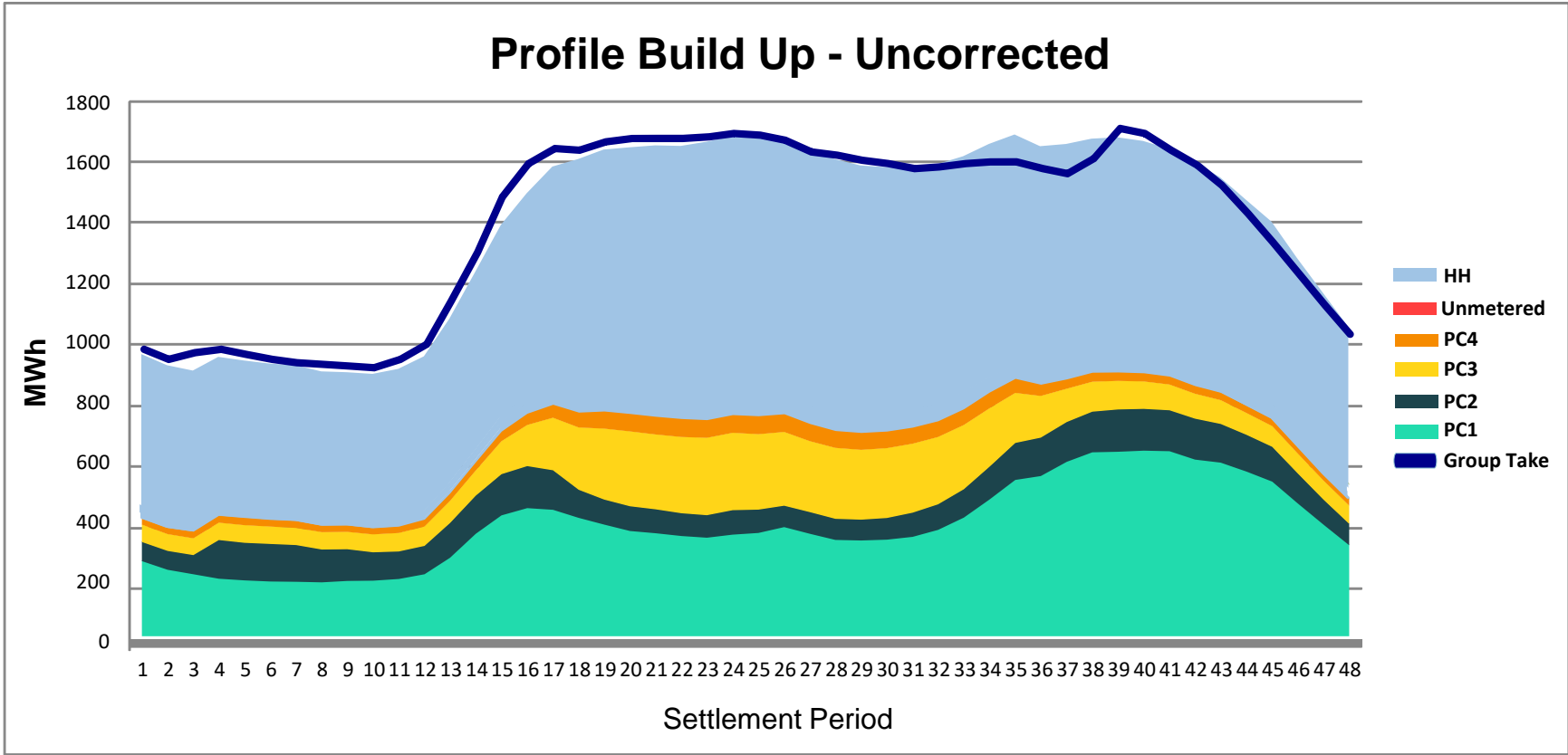
What are Group Correction Factors (GCFs)?

GSP Group Correction is the mechanism that allocates the total error in metered volumes, in each GSP Group, between Suppliers

GSP Group Correction Factors (GGCFs) are used to ensure that the total energy allocated to Suppliers in each Settlement Period, for each Grid Supply Point (GSP) Group, matches the energy entering the GSP Groups from the transmission system, adjoining GSP Groups and through embedded generation



GSP Group Correction



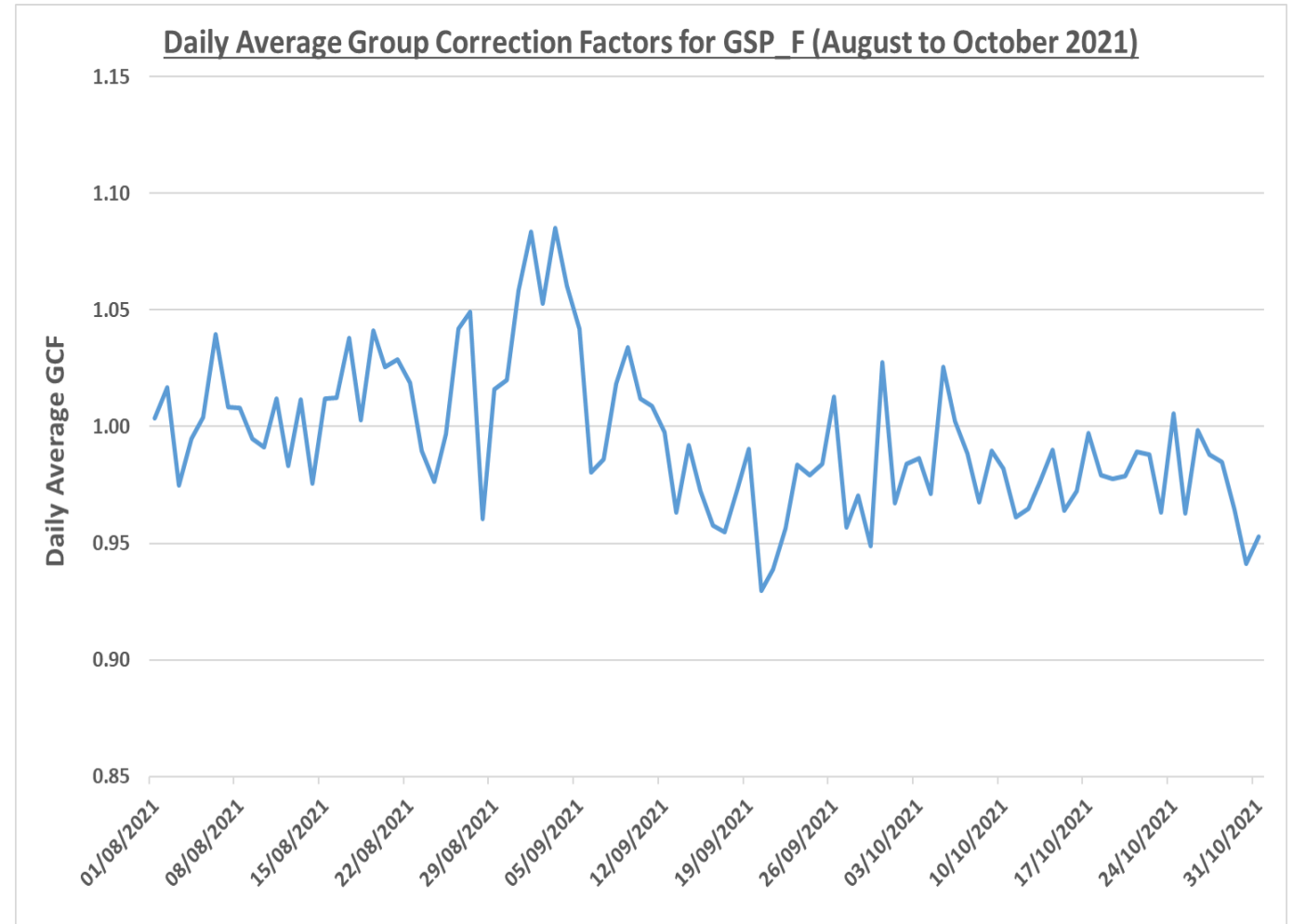
GSP Group Correction Factors

GSP GCFs of **less than one mean energy volumes have been scaled down**, usually due to one or more of the following:

- the over-accounting of Import energy
- the under-accounting of Export energy
- the under-accounting of GSP metering

GSP GCFs of **more than one mean energy volumes have been scaled up**, usually due to one or more of the following:

- the under-accounting of Import energy
- the over-accounting of Export energy
- the over-accounting of GSP metering



GSP Group Correction - What is it correcting for?

There are two main potential sources of error:

Profiling error: Sampling errors, national NHH profiles applied to regional GSP Groups, bank holidays etc.

Volume error: Erroneous EACs or AA, undetected theft etc.

Need more information? Additional resources available include:

- [Elexon Training Videos and Services](#)
- [BSC Guidance Note: Grid Supply Point \(GSP\) Group Correction](#)
- [BSC Section S, Annex S-2: Supplier Volume Allocation Rules](#)

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ANY QUESTIONS?

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