

ASSESSMENT REPORT
MODIFICATION PROPOSAL P033 –
Rectification of inconsistencies in
terminology between the BSC and
Grid Code OC2

**Prepared by the Reporting Modification Group on
behalf of the Balancing and Settlement Code Panel**

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I DOCUMENT CONTROL

a Authorities

Version	Date	Author	Signature	Change Reference
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Version	Date	Reviewer	Signature	Responsibility
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1.0	11/10/01	Panel		Meets requirements of Panel

Version	Date	Approver	Signature	Responsibility
1.0	11/10/01	P033 Modification Group		Meets requirements of Modification Group

Version	Date	Reviewer	Signature	Responsibility
1.0	11/10/01	Chris Rowell		Head of Trading

b Distribution

Name	Organisation
Panel	
P033 Modification Group	

c Changes Forecast

Version 1.0 will be authorised for use.

d Related Documents

Reference 1	Initial Assessment of Modification Proposal P033 Rectification of Inconsistencies in terminology between the BSC and Grid Code OC2' (012AMB10)
Reference 2	Change Proposal Circular 040 'Consultation and Impact Assessment by Parties / Party Agents on Modification Proposal P033 by 4 th September 2001'

Reference 3	Panel Paper 29/024 'Initial Written Assessment: P033: Rectification of Inconsistencies in Terminology Between the BSC and Grid Code OC2'
Reference 4	Panel Paper 30/014 'Consultation and Impact Assessment: P033: Rectification of Inconsistencies in Terminology Between the BSC and Grid Code OC2'
Reference 5	CPC 049 'Detailed Level Impact Assessment on Modification Proposal P033'
Reference 6	Project Brief
Reference 7	Modification Group Report 01, 5 th September 2001
Reference 8	Modification Group Report 02, 10 th October 2001
Reference 9	Modification Proposal P022 'Provision of Generator Planned outage Information to all BSC Signatories'
Reference 10	P022 ELEXON Requirements Specification for Distribution Of Generator Outage Information (023AAR)

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1 SUMMARY AND RECOMMENDATIONS

See the associated document 'Annex 1_Executive Summary' for the Summary and Recommendations.

2 INTRODUCTION

The Report has been prepared by ELEXON Ltd., on behalf of the Panel, in accordance with the terms of the BSC. The BSC is the legal document containing the rules of the balancing mechanism and imbalance settlement process and related governance provisions. ELEXON is the company that performs the role and functions of the BSCCo, as defined in the BSC.

An electronic copy of this document can be found on the BSCCo Website, at www.elexon.co.uk

2.1 Glossary

The following acronyms have been used throughout this document:

BM	Balancing Mechanism
BMRA	Balancing Mechanism Reporting Agent
BSC	Balancing and Settlement Code
BSCCo	Balancing and Settlement Code Company
CPC	Change Proposal Circular
DLIA	Detailed Level Impact Assessment
FTP	File Transfer Protocol
HLIA	High Level Impact Assessment
IWA	Initial Written Assessment
NGC	National Grid Company plc
OC2	Operating Code 2
TC	Transmission Company (including System Operator)

3 PURPOSE AND SCOPE OF THE REPORT

BSC Section F sets out the procedures for progressing proposals to amend the BSC (known as 'Modification Proposals'. These include procedures for proposing, consulting on, developing, evaluating and reporting to the Authority on potential modifications.

The BSC Panel is charged with supervising and implementing the modification procedures. ELEXON provides the secretariat and other advice, support and resource required by the Panel for this purpose. In addition, if a modification to the BSC is approved or directed by the Authority, ELEXON is responsible for overseeing the implementation of that amendment (including any consequential changes to systems, procedures and documentation).

The Panel may decide to submit a Modification Proposal to an 'Assessment Procedure'¹. Under this procedure, a Modification Group is tasked with undertaking a detailed assessment of the proposal to evaluate whether it better facilitates achievement of the Applicable BSC Objectives². The group may also develop an alternative proposal if it believes that the alternative would better facilitate achievement of the objectives.

The Modification Group must prepare a report for the Panel, setting out the results of the assessment of the modification proposal and any alternative. The following matter should be included (to the extent applicable to the proposal in question)³:

- (a) an analysis of and the views and rationale of the Modification Group as to whether (and, if so, to what extent) the Proposed Modification would better facilitate achievement of the Applicable BSC Objective(s);
- (b) a description and analysis of any Alternative Modification developed by the Modification Group which, as compared with the Proposed Modification, would better facilitate achievement of the Applicable BSC Objective(s) and the views and rationale of the Group in respect thereof;
- (c) an assessment or estimate (as the case may be) of:
 - (i) the impact of the Proposed Modification and any Alternative Modification on BSC Systems;
 - (ii) any changes and/or developments which would be required to BSC Systems in order to give effect to the Proposed Modification and any Alternative Modification;
 - (iii) the total development and capital costs of making the changes and/or delivering the developments referred to in paragraph (ii);
 - (iv) the time period required for the design, build and delivery of the changes and/or developments referred to in paragraph (ii);
 - (v) the increase or decrease in the payments due under the BSC Agent Contracts in consequence of the Proposed Modification and any Alternative Modification;
 - (vi) the additional payments (if different from those referred to in paragraph (v)) due in connection with the operation and maintenance of the changes and/or developments to BSC Systems as a result of the Proposed Modification and any Alternative Modification;

¹ See BSC F2.6.

² As defined in the Transmission Licence.

³ See BSC F2.6.4 and Annex F-1.

- (vii) any other costs or liabilities associated with BSC Systems attributable to the Proposed Modification and any Alternative Modification;
- (d) an assessment of:
- (i) the impact of the Proposed Modification and any Alternative Modification on the Core Industry Documents;
 - (ii) the changes which would be required to the Core Industry Documents in order to give effect to the Proposed Modification and any Alternative Modification;
 - (iii) the mechanism and likely timescale for the making of the changes referred to in paragraph (ii);
 - (iv) the changes and/or developments which would be required to central computer systems and processes used in connection with the operation of arrangements established under the Core Industry Documents;
 - (v) the mechanism and likely timescale for the making of the changes referred to in paragraph (iv);
 - (vi) an estimate of the costs associated with making and delivering the changes referred to in paragraphs (ii) and (iv),
- together with a summary of representations in relation to such matters;
- (e) an assessment of:
- (i) the likely increase or decrease in BSC Costs (to the extent not already taken into account in paragraph (c) above) in consequence of the Proposed Modification and any Alternative Modification;
 - (ii) the changes required to Systems and processes of BSCCo in order to give effect to the Proposed Modification and any Alternative Modification; and
 - (iii) the BSC Costs which are expected to be attributable to the implementation of the Proposed Modification and any Alternative Modification, to the extent not taken into account under any other provision above;
- (f) to the extent such information is available to the Modification Group, an assessment of the impact of the Proposed Modification and any Alternative Modification on Parties in general (or classes of Parties in general) and Party Agents in general, including the changes which are likely to be required to their internal systems and processes and an estimate of the development, capital and operating costs associated with implementing the changes to the Code and to Core Industry Documents;
- (g) an assessment of the Proposed Modification and any Alternative Modification in the context of the statutory, regulatory and contractual framework within which the Code sits (taking account of relevant utilities, competition and financial services legislation);
- (h) a summary of the representations made by Parties and interested third parties during the consultation undertaken in respect of the Proposed Modification and any Alternative Modification and the views and comments of the Modification Group in respect thereof;
- (i) a summary of the analysis and impact assessment prepared by the Transmission Company and the views and comments of the Modification Group in respect thereof;

- (j) a summary of the impact assessment prepared by relevant BSC Agents and the views and comments of the Modification Group in respect thereof;
- (k) a summary of any impact assessment prepared by Core Industry Document Owners and the views and comments of the Modification Group in respect thereof;
- (l) a copy of the terms of reference and any report or analysis of external consultants or advisers engaged in respect thereof;
- (m) a list of the key assumptions which the Modification Group has made in formulating its views;
- (n) any other matters required by the terms of reference of such Modification Group;
- (o) any other matters which the Modification Group consider should properly be brought to the attention of the Panel to assist the Panel in forming a view as to whether the Proposed Modification and any Alternative Modification would better facilitate achievement of the Applicable BSC Objective(s);
- (p) subject to paragraph 2.6.8 and 2.6.9 of Section F of the BSC, the proposed text to modify the Code in order to give effect to the Proposed Modification and any Alternative Modification, together with a commentary setting out the nature and effect of such text and of other areas of the Code which would be affected by the changes;
- (q) the Modification Group's proposed Implementation Date(s) for implementation (subject to the consent of the Authority) of the Proposed Modification and any Alternative Modification;
- (r) an executive summary of the project brief prepared by BSCCo;
- (s) a recommendation (where applicable) as to whether, if the Proposed Modification or Alternative Modification is approved, Settlement Runs and Volume Allocation Runs carried out after the Implementation Date of such Approved Modification in respect of Settlement Days prior to that date should be carried out taking account of such Approved Modification or not;
- (t) the proposed text (if any) to modify the Memorandum and Articles of Association of BSCCo and/or the BSC Clearer in order to give effect to the Proposed Modification and any Alternative Modification, together with a commentary setting out the nature and effect of such text and of other areas of the Memorandum and Articles of Association and/or the Code which would be affected by the changes; and
- (u) a summary of any changes which would be required to Code Subsidiary Documents as a consequence of such Proposed Modification or Alternative Modification.

This Assessment Report therefore addresses all of the above items to the extent relevant to the Modification Proposal in question.

4 MODIFICATION GROUP

The membership of the Group was as follows:

Name	Organisation
Chris Rowell	ELEXON (Chairman)
Lisa Waters	Dynegy
Rekha Patel	Dynegy
Martin Mate	British Energy
Terry Ballard	Innogy
Duncan Jack	St Clements Services
Nigel Brooks	NGC
Tony Doherty	Ofgem
James Hawkins	Powergen
Ceri Hughes	ELEXON

5 DESCRIPTION AND ASSESSMENT AGAINST THE APPLICABLE BSC OBJECTIVES

5.1 The Proposed Modification

A copy of the Modification Proposal can be found at Annex 7 to this Report. The Modification Proposal offers two solutions:

- (A) NGC to provide to BMRS both the 'surplus' (as currently provided) and the Generating Plant Demand Margin (as required by the BSC); or
- (B) NGC to provide to BMRS the Generating Plant Demand Margin alone, thus meeting the BSC requirements.

The Modification Proposal outlined solution A as the preferred solution. This solution is proposed on the basis that implementing solution B may result in market confusion, particularly since there is a likelihood that real-time system warnings will be in force whilst the Generating Plant Demand Margin indicates a significant positive margin. This is because this data item does not include NGC's Operational Planning Margin (which is the additional generation over and above the demand that NGC need to be available to ensure that the demand can be met).

ELEXON in consultation with NGC identified a third solution (C) which would result in the status quo being formally adopted both within the Grid Code and the BSC ie. NGC will provide the 'surplus' only to the BMRS.

In addition to the above, the Modification Proposal also recommends removing associated naming convention inconsistencies which exist between the Grid Code and the BSC Systems.

The Modification Proposal is intended to provide clarity and to ensure that there is consistency between the Grid Code and BSC. It will remove the existing data error, and ensure that consistent information is sent to generators (via OC2) and Balancing Mechanism (BM) participants (via the BMRS), thereby eliminating any confusion, improving transparency of information to all market participants. This therefore fulfils the BSC Objective of promoting effective competition in the sale and purchase of electricity.

5.2 Applicable BSC Objectives

The Applicable Code Objectives are set out in paragraph 3 of Condition 7A of the Transmission Licence, as follows:

- (a) The efficient discharge by the Transmission Company of the obligations imposed under the Transmission Licence;
- (b) The efficient, economic and co-ordinated operation by the Transmission Company of the Transmission System;
- (c) Promoting effective competition in the generation and supply of electricity, and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity; and
- (d) Promoting efficiency in the implementation and administration of the balancing and settlement arrangements.

5.3 Initial Written Assessment

ELEXON produced an IWA (reference 1). The IWA (reference 1) and the Modification Proposal were presented to the Panel on 23rd August 2001 (Panel Paper 29/024, reference 3). The Panel noted the

content of the IWA, determined that the Modification Proposal should be considered under the Assessment Procedure and requested that Parties be consulted to determine whether or not the status quo should be formalised. Following a request by the Panel, no impact assessment was requested from the NETA Central Service Agent at this stage.

5.4 Consultation and Impact Assessment

On 28th August 2001, Parties and Party Agents were requested to undertake a consultation and impact assessment (via Change Proposal Circular (CPC) 040 (reference 2)) which took the form of a questionnaire.

19 responses were received, representing 26 Parties. A summary of the responses, the detailed responses together with a copy of the questionnaire are given in Section 12. A summary of the NGC response is given in Section 0 and the detailed response is given in Annex 5.

The result of the consultation and impact assessment is as follows:

- 4 responses representing 10 Parties preferred solution A (provision of both Generating Plant Demand Margin and 'surplus');
- 2 responses representing 2 Parties preferred solution B (provision of Generating Plant Demand Margin only);
- 8 responses representing 9 Parties preferred solution C (provision of 'surplus' only); and
- 5 responses representing 5 Parties provided a 'no interest' or 'no comment' return.

5.5 Modification Group's Initial Views

The Group were presented with the responses from the consultation and impact assessment at their meeting on 5th September 2001. The Group noted that solution A had received the majority of Party responses (10 in total), closely followed by solution C which had received responses from 9 Parties. The Group also noted that solution B had attracted a minimal response, which indicated that provision of Generating Plant Demand Margin alone would not deliver the most appropriate solution.

The Group concluded that although there was no consensus view, that solutions A and C were supported by the majority of Parties⁴. The Group therefore agreed that these preferred solutions should, together with the naming convention inconsistency requirement be issued to the NETA Central Service Agent for a High Level Impact Assessment. NGC, the proposer of the Modification Proposal, agreed to confirm post the meeting, what changes would be required to the Grid Code to support solution A and C and also that no changes would be required to the Transmission License. Section 0 outlines their response.

5.6 NETA Central Service Agent HLIA

Subsequent to the Group meeting, a HLIA request was issued to the NETA Central Service Agent on 5th September 2001. This HLIA was received on 13th September 2001 and is contained in Annex 3.

5.7 Transmission Company Analysis

A formal analysis request was issued to NGC on 7th September 2001. The NGC analysis was received on 14th September 2001 and confirmed that although not essential changes would be proposed to the Grid Code. The NGC response is contained in Annex 5.

⁴ The attendees of the meeting together with the notes are included in the Modification Group Report 01 (reference 7).

5.8 Group's Further Views

One Group Member indicated that a workaround perhaps using the NGC, ELEXON or potentially another third party website provider should be used as an interim measure until the changes were incorporated into the BMRS. Another Group Member stated that the status quo should be formalised but avoiding changes to the BSC or the Grid Code on the basis of costs.

The Group were sent the NETA Central Service Agent HLIA and the NGC assessment for review on 14th September 2001. The Group considered the responses to the initial consultation and impact assessment in conjunction with the NETA Central Service Agent and NGC assessments and the Panel were advised of the progress made by the Group on 20th September 2001 (Panel paper 030/014, reference 4). Three responses were received from the Group which indicated that both 'surplus' and Generating Plant Demand Margin should be provided.

5.9 Panel's View

The Panel was presented with the outcome of the consultation and impact assessment and the Group's initial conclusions on 20th September 2001 (Panel paper 030/014, reference 4). The Panel was also presented with a summary of the NETA Central Service Agent HLIA and the NGC analysis which would be incorporated in the Assessment Report and the Group's initial conclusions. The Panel noted the progress made to date, supported the Group's approach and agreed the recommendations presented.

5.10 Group's Subsequent Views

Following the Panel meeting, an updated version of the Assessment Report was issued to the Group on 21st September 2001 for review. The Group concluded that both the 'surplus' and the Generating Plant Demand Margin' should be published, however the publication method should be different to that proposed in the Modification Proposal. The Group therefore agreed that a Detailed Level Impact Assessment (DLIA) should be undertaken which would focus on the following implementation approach:

- 'surplus' should be published on the BMRA website; and
- Generating Plant Demand Margin should be published on the BSCCo Website.

5.11 Consultation and Detailed Level Impact Assessment

Following the Panel meeting on 20th September 2001 and once an updated version of the Assessment Report had been reviewed by the Group, a request to undertake a Detailed Level Impact Assessment (DLIA) was issued to Parties (including NGC) and the NETA Central Service Agent, via CPC 049 (reference 5) on 26th September 2001.

14 responses to the DLIA were received representing 24 Parties. There was a majority of Parties in favour of the revised implementation approach outlined in section 5.9. A summary of the responses together with the detailed responses is given in Section 12. The DLIA received from the NETA Central Service Agent is contained in Annex 3 and the detailed analysis request response from NGC is contained in Annex 5.

The result of the consultation and DLIA is as follows:

- 9 Parties (6 responses) preferred the revised implementation approach (provision of both Generating Plant Demand Margin and 'surplus');
- 8 Parties (3 responses) did not support this revised implementation approach;

- 4 Parties (2 responses) indicated that there was no objection to the revised implementation approach;
- 3 Parties (3 responses) provided a 'no interest' or 'no comment' return.

5.12 Group's Final Views

On 10th October 2001, the Group, at their second meeting, assessed the Modification Proposal in light of the responses to the DLIA⁵.

The Group noted the responses received from Parties (including NGC), the NETA Central Service Agent and ELEXON. The Group also noted that the majority of Parties who responded to the DLIA supported the revised implementation approach.

The Group concluded that this implementation approach was the most appropriate:

- a) because it achieved the objective of the Modification Proposal of publishing both the 'surplus' and the Generating Plant Demand Margin, although this information would not be published in the same place; and
- b) on the basis that the NETA Central Service Agent costs for implementing the approach in the Modification Proposal (ie. provision of both 'surplus' and the Generating Plant Demand Margin by NGC for publication by the BMRA) was excessive (£596,900) when compared with the revised implementation approach costs of £123,300 (resulting in the Generating Plant Demand Margin being published on the BSCCo Website and the 'surplus' being published on the BMRA website).

This alternative implementation approach therefore better achieves the applicable BSC Objective although this approach may not be as transparent as if one website was used for publishing the data.

NGC confirmed that changes were being drafted to the Grid Code and would be presented to the Grid Code Review Panel in due course.

⁵ The attendees of the meeting together with the notes are included in the Modification Group Report 02 (reference 8).

6 IMPACT ON BSC AND BSCCO DOCUMENTATION

6.1 BSC

The Modification Proposal will require amendments to a number of Sections of the Code, which are summarised below:

- Section Q 'Balancing Mechanism Activities'
- Section V 'Reporting'
- Section V 'Reporting, Annex V-1 Tables of Reports'
- Section X 'Definitions and Interpretation, Annex X-2 'Technical Glossary'
- Section X 'Definitions and Interpretation, Annex X-3 'Glossary of Acronyms Applying Except In Relation To Settlement Section S'

6.2 Configurable Items

Changes will be required to the following Code Subsidiary Documents as a consequence of the Modification Proposal. These will be developed if the Authority approve the Modification Proposal for implementation.

Document	Description of Changes
BMRA Service Description	The receipt and publication of the 'surplus' on the BMRA website will require incorporation in the Service Description
NETA Data File Catalogue	There will be an impact on the NETA Data File Catalogue
Reporting Catalogue	There will be an impact on the Reporting Catalogue
BMRA User Requirement Specification	NETA Central Service Agent will update accordingly

In addition changes will also be required to the following other configurable item:

Software	Description of Changes
BMRA software	For any of the solutions proposed, the BMRA webpage will require updating and TIBCo messaging will also be impacted

Changes will be required to NGC's documentation which will include but is not limited to the Grid Code and the BMRA & SAA Interface Specification.

6.3 BSCCo Memorandum and Articles of Association

No changes are required.

7 IMPACT ON BSC SYSTEMS

There will be the following impact on BSC Systems:

7.1 Registration

No impact identified.

7.2 Contract Notification

No impact identified.

7.3 Credit Checking Systems

No impact identified.

7.4 Balancing Mechanism Activities

The Modification Proposal will require the following changes.

7.4.1 Provision of 'surplus' to BMRS

The Transmission Company to provide to the BMRS, using the existing transmission method ie. the FTP format, the:

- Margin Forecast 2-14 days ahead (OCNMFD) dataflow. This dataflow will be provided not later than 1600 hours each day and will contain data applicable for each Operational Day from the second day following the current Operational Day to the fourteenth day following the current Operational Day.
- 'Margin Forecast 2-52 weeks ahead (OCNMFV) dataflow. This dataflow will be provided not later than 1700 hours each Friday and will contain data applicable for each week from the second week following the current week to the fifty second week following the current week.

These dataflows will be modified so that they contain the 'surplus'. The dataflow names used will also be modified as a result of the naming convention consistency changes if the Modification Proposal is approved for implementation, so that it is clear that the 'surplus' is being provided.

7.4.2 Provision of Generating Plant Demand Margin to BSCCo Website

The Transmission Company to provide to the BSCCo Website, using the same transmission method ie. the FTP format, as used for the provision of the 'surplus' the:

- Generating Plant Demand Margin 2-14 days ahead dataflow. This dataflow will be provided not later than 1600 hours each day and will contain data applicable for each Operational Day from the second day following the current Operational Day to the fourteenth day following the current Operational Day.
- Generating Plant Demand Margin 2-52 weeks ahead dataflow. This dataflow will be provided not later than 1700 hours each Friday and will contain data applicable for each week from the second week following the current week to the fifty second week following the current week.

The proposed BSC changes are included in Annex 1.

7.5 Collection and Aggregation of Metered Data

No impact identified.

7.6 Supplier Volume Allocation

No impact identified.

7.7 Settlement

No impact identified.

7.8 Clearing, Invoicing and Payment

No impact identified.

7.9 Reporting

The Modification Proposal will require the following changes:

- BMRA to report the 'surplus' provided by the Transmission Company on the BMRA website, using the High Grade BMRA Service. This data will be published on-line within five minutes of receipt in line with the existing timescale approach which is already in place for publishing data on the BMRA website.
- ELEXON to report the Generating Plant Demand Margin provided by the Transmission Company on the BSCCo Website. This data will be published on-line within 4 working hours of receipt in line with the approach that has been adopted for Modification Proposal P022 'Provision of Generator Planned outage Information to all BSC Signatories' (reference 9). The P022 Modification Group produced a specification on how the BSCCo Website requirements should be published (reference 10). The principles included in this specification should where possible be adopted during the development of this aspect of the Modification Proposal⁶.

It should be noted that ELEXON does not provide a 24 / 7 operational service hence the timescale quoted above.

The data loaded onto the BSCCo Website will be in such a form that Parties would be able to extract the Generating Plant Demand Margin for use in their own system.

Should either the BMRA or ELEXON be unable to process or publish the data, NGC will be notified.

The proposed BSC changes are included in Annex 1.

⁶ This specification, via section 2.2, refers to a timescale of 'within two hours of receipt'. It should be noted that although the specification has not been updated, ELEXON has agreed with the P022 Modification Group that the timescale should be changed to 4 working hours on the basis that ELEXON does not operate a 24 / 7 operational service.

8 IMPACT ON CORE INDUSTRY DOCUMENTS AND SUPPORTING ARRANGEMENTS

8.1 Grid Code

NGC confirmed on 14th September 2001 that there would be an impact on the Grid Code. NGC are actively progressing the changes to the Grid Code which will be presented to the Grid Code Review Panel in due course.

8.2 Master Connection and Use of System Agreement (MCUSA)

No impact.

8.3 Supplemental Agreements

No impact.

8.4 Ancillary Services Agreements (ASAs)

No impact.

8.5 Master Registration Agreement (MRA)

No impact.

8.6 Data Transfer Services Agreement (DTSA)

No impact.

8.7 British Grid Systems Agreement (BGSA)

No impact.

8.8 Use of Interconnector Agreement

No impact.

8.9 Pooling and Settlement Agreement (PSA)

No impact.

8.10 Settlement Agreement for Scotland (SAS)

No impact.

8.11 Distribution Codes

No impact.

8.12 Distribution Use of System Agreements (DUoSAs)

No impact.

8.13 Distribution Connection Agreements

No impact.

9 IMPACT ON ELEXON

The Group considered the likely increase or decrease in BSC Costs post implementation of the Modification Proposal and concluded that the Modification Proposal would be likely to lead to a minimal increase in BSC Costs, as the operational processes were being automated and the additional maintenance burden was small.

Costs would also be incurred as a result of the increase in the number of BSC help desk queries which may arise as a result of a Party wanting to know where to locate the 'surplus' and / or the Generating Plant Demand Margin on the respective websites.

10 IMPACT ON PARTIES AND PARTY AGENTS

10.1 Parties

10.1.1 Impact on Transmission Company

Section 0 summarises the responses provided and Annex 5 includes the detailed responses.

10.1.2 Impact on Trading Parties

Those Parties that want to use the data provided on the BMRA and the BSCCo websites within their systems or processes may be impacted by this Modification Proposal. Section 12 summarises the responses and also includes the detailed responses received.

10.2 Party Agents

There is no impact on Party Agents.

11 LEGAL ISSUES

There are no legal issues associated with this Modification Proposal.

12 REPRESENTATIONS RECEIVED

12.1 Responses to Consultation and Impact Assessment

In response to the consultation and impact assessment, below is a summary of the responses which have been received. The NGC response is contained in Section 13.

No	Company	Impact / Interest / Comment	Solution A	Reason for Solution A	Solution B	Reason for Solution B	Solution C	Lead Time
			'surplus' and Generating Demand Margin		Generating Plant Demand Margin only		'surplus' only	
1.	Entergy and Axia Energy	No impact	✓	Would then have implied figures for operating reserve requirements				None required
2.	London - Distribution Business / MPAS	No Interest / Impact						
3.	Invensys	No Interest / Impact						
4.	Siemens	No Interest / Impact						
5.	GPU Power	No Comment						

No	Company	Impact / Interest / Comment	Solution A	Reason for Solution A	Solution B	Reason for Solution B	Solution C	Lead Time
6.	TXU Europe (2 responses received)	Solution B – no impact Solution C – impact			✓	This is the true supply/demand margin which is what matters to traders – this is why the BSC was written as it is. Changing it to something that NGC happen to already have is not an acceptable alternative. NGC should be providing what is detailed in the BSC		Solution B – none required Solution C – 20 man days
7.	Corby Power-Station	No comment / impact						
8.	Dynegy	No impact	✓	Dynegy believe transparency will be improved through providing both “Generating Plant Demand Margin” and “Surplus” data. There is a lack of clarity concerning the data flows that are presently being distributed.				None required

No	Company	Impact / Interest / Comment	Solution A	Reason for Solution A	Solution B	Reason for Solution B	Solution C	Lead Time
9.	Powergen	Solution A and C - Impact	✓	Powergen supports the implementation of Option A for the same reasons that NGC has outlined in the Modification Proposal. In essence, P33 will remove the current inconsistencies and improve clarity.				<ul style="list-style-type: none"> ▪ Solution A – 3 months ▪ Solution B – 1 month ▪ Solution C – 3 months
10.	South Coast Power Ltd	Solution C – no impact					✓	None
11.	Edison Mission Energy						✓	
12.	SEEBOARD	Yes for Solution A and C			✓	In our view it is likely to be the cheapest option. We do not believe other BSC Parties will find the 'surplus' useful.		Solution A – 30 days
13.	EDF Trading Limited	Solution B – impact Solution C – May impact					✓	Solution A – 1 month Solution B – 1 year Solution C – 1 month
14.	BGT	No impact					✓	None
15.	Northern Electric and Gas	No impact					✓	None

No	Company	Impact / Interest / Comment	Solution A	Reason for Solution A	Solution B	Reason for Solution B	Solution C	Lead Time
16.	Innogy plc, Innogy Co-generation Trading Ltd, npower direct Ltd, npower northern Ltd, npower yorkshire Ltd, Yorkshire Electricity plc	No impact	✓	In the interest of market transparency, it is important that market participants know the value of the 'Operational Planning Margin' which NGC are ascribing to the Generating Plant Demand Margin (primary data). If only the 'Surplus' (option C) or the Generating Plant Margin (option A) is provided, the market would have no knowledge of the value of any adjustments made or to be made to this data by NGC before applying it in accordance with the Grid Code/BSC.				N/A
17.	Scottish & Southern	No impact					✓	None
18.	Scottish Power and Manweb	No impact					✓	Approximately 2 weeks

The detailed responses are contained in 'Annex 3_Detailed Responses'.

12.2 Responses to Detailed Level Impact Assessment

In response to the DLIA, below is a summary of the responses which have been received. The NGC response is contained in Section 13.

No	Organisation	Accept	Reject	Other
1.	Siemens			No impact and no interest.
2.	Edison Mission Energy	✓		
3.	Barking Power Station	✓		
4.	IMServ Europe			No impact.
5.	GPU Power			No Comment.
6.	British Energy Power and Energy Trading, British Energy Generation, Eggborough Power Ltd		✓	If the data is required then BE believe that it should be provided on the BMRS. We do not need another BMRS being built by Elexon. From the information provided, why does it cost £65,000 to keep things as they are?
7.	Scottish Power UK Plc, Manweb Plc, Emerald Power Generation Ltd			While the latest proposal is not our preferred option, in view of the reduced cost from the original proposal, we have no substantive objection to the recommendation and may utilise the information at a later date.
8.	Seeboard	✓		
9.	Yorkshire Electricity	✓		
10.	NPower Ltd			No objections.
11.	SSE Generation Ltd, SSE Energy Supply Ltd, Keadby Development Ltd, Keadby Generation Ltd		✓	
12.	TXU Europe		✓	
13.	Powergen, Powergen Energy plc, Diamond Power Generation Limited, Cottam Development Centre Limited	✓		

The detailed responses are contained in 'Annex 3_Detailed Responses'.

13 SUMMARY OF TRANSMISSION COMPANY ANALYSIS

13.1 Response to Initial Consultation and Impact Assessment

A response, dated 3rd September 2001, was received from NGC. NGC stated that:

- they prefer solution C on the basis that it formalises the status quo;
- Solution C will have a zero impact on NGC's systems, minimises impact on the BMRA web site and would ensure consistency in data provision across both the BSC and Grid Code for all market participants;
- although the original Modification Proposal did not outline solution C as an option, NGC state that it meets the original intention when the Modification Proposal was submitted;
- there is an impact on NGC of implementing solution A and solution B, with a lead time of 4 months required to undertake a thorough impact assessment.

13.2 Response to Modification Group Request

At the Group meeting on 5th September 2001, NGC were asked to confirm whether or not there was an impact on the Transmission Licence and to investigate the changes which would be required to the Grid Code. A response was received from NGC on 10th September 2001 which stated that there are no Transmission Licence issues associated with this Modification Proposal and that the Modifications to the BSC can be drafted in a such manner as to avoid the need for Grid Code modifications.

13.3 Response to Analysis Request

An analysis request was issued to NGC on 7th September 2001. A response dated 14th September 2001 was received. This response confirmed that changes would be required to the Grid Code and also included costs and timescales.

13.4 Response to Detailed Analysis Request

A detailed analysis request including CPC 049 'Detailed Level Impact Assessment on Modification Proposal P033' (reference 5) was issued to NGC on 26th September 2001. A response dated 11th October 2001 was received which confirmed the costs and timescales of developing the necessary changes for the revised implementation approach. Annex 5 contains all the responses received.

14 PROJECT BRIEF – EXECUTIVE SUMMARY

A Project Brief (reference 6) has been prepared which sets out in high level terms a proposed Project for implementation of the changes required. The following will be required, the:

- BMRA to receive from the Transmission Company the 'surplus';
- BMRA to publish on the BMRA website the 'surplus';
- BSCCo to receive from the Transmission Company the Generating Plant Demand Margin; and
- BSCCo Website to publish the Generating Plant Demand Margin.

14.1 NETA Central Service Agent Costs and Timescales

The NETA Central Service Agent has provided costs and timescales for the development of the above. The NETA Central Service Agent estimates that the development would take approximately 6 weeks and cost in the region of £36,800. Monthly operation and maintenance costs would be £554. The quotation provided by the NETA Central Service Agent does not recognise any other developments initiated by ELEXON and does not include the costs of market participant testing.

14.2 NGC Costs and Timescales

NGC has provided costs and timescales for the development of the above. NGC estimates that the development would take approximately 3 months and cost in the region of £21,500.

14.3 ELEXON Costs and Timescales

In addition to the above costs, there will also be ELEXON costs in developing, testing and managing the changes which are required to implement the Modification Proposal. As the Modification Proposal impacts BSC Systems it is essential that these changes are managed by the BSC Systems Release 2 Project. The changes will cost in the region of £65,000 and it is intended that the changes are implemented in the full BSC Systems Release, which is planned for 25th September 2002.

A number of assumptions have been made in deriving the ELEXON costs and the proposed Implementation Date and these are:

- that the Modification Proposal is approved by the Authority in December 2001;
- that the NETA Central Service Agent is able to develop the necessary changes within the timescales required by the Release 2 Project;
- that no other Modification Proposals are included within the scope of the Release 2 Project which impacts the full BSC Systems Release 2 Project Implementation Date.

14.4 Estimated Total Project Cost

Based on the assumptions quoted above, the estimated total project cost is £123,300. It is however anticipated that savings will be gained on the NETA Central Service Agent quotation if the Modification Proposal is developed in parallel with other BMRA related changes. Currently there are a number of changes to the BMRA which are part of the BSC Release 2 Project (full release). These changes relate to:

- CP537 'BMRA Reporting of Historic Market Data';
- CP549 'Display duration of BMRA System Warning Messages';

- Modification Proposal P008 'Introduction of a Price Adjuster to Reflect Option Fees for Balancing Services Contracts in Setting SBP and SSP'; and
- Modification Proposal P018 – Option A 'Removing / Mitigating The Effect of System Balancing Actions In The Imbalance Price Calculations'.

ANNEX 1 – PROPOSED TEXT TO MODIFY THE BSC

Changes, indicated via bold shadowed text or double strike through text, will be required to the following sections of the BSC. This text has been reviewed by the Group and has undergone review by the ELEXON legal advisers.

As there are similarities between this Modification Proposal and Modification Proposal P022 and if Modification Proposal P022 is approved by the Authority prior to this Modification Proposal, an abbreviated version of the legal text for this Modification Proposal will be prepared for inclusion in the Modification Report.

Section Q ‘Balancing Mechanism Activities’

Amend paragraph 6.1.2 to read:

- 6.1.2 Not later than 1700 ~~KRXV~~ each Friday, the Transmission Company shall send to the BMRA the following data for each week from the 2nd week following the current week to the 52nd week following the current week:
 - (a) the National Demand forecast expressed as an average MW value for the Settlement Period at the peak of the week;
 - (b) the national ~~EXLV~~ ~~Generating Plant Demand Margin~~ forecast expressed as an average MW value for the Settlement Period at the peak of the week.'

Add new paragraph to read:

~~6.1.2~~ ~~Not later than 1700~~ ~~each Friday~~, the Transmission Company shall send to the BMRA the following data for each week from the 2nd week following the current week to the 52nd week following the current week:

(a) the National Demand forecast expressed as an average MW value for the Settlement Period at the peak of the week;

(b) the national ~~EXLV~~ ~~Generating Plant Demand Margin~~ forecast expressed as an average MW value for the Settlement Period at the peak of the week.'

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30QVJHP DQGDUJLQIRUFDWBE EDI(SDNKDKRXUYDXHV	'DIQ	EDI
*HQHLDVQJ IRUFDWBEZIHNO YDXHV	:HNO	EDI

Renumber existing paragraph 6.4 as paragraph 6.5.

Section V 'Reporting'

Amend paragraph 1.1.5(a) to read⁷:

1.1.5 The provisions of paragraph 1.1.4(b) are without prejudice to:

- (a) the obligations of the Transmission Company to send specified data to the BMRS ~~DOGL%88R~~ pursuant to Section Q6;

Add a new paragraph 4.4 to read⁷:

~~1.1.5~~ ~~*HQ-LDVRQEDD~~

~~1.1.5~~ ~~%88RNDODDQJHRLVHGDVHMRXMQ7DEHMQ\$QCHQDTRBHSXEOMKHGRQ~~
~~VH%88HEVHDDGDMHMGDRPVPHVRQPHDVRRODMDHARQEQSLDFVDEH~~
~~DVH%88RDFHLYMDFKGDVDRPDKH7UDQPDMRQBRP SDQISXVMDQVRIGHFVRQ~~
~~4~~

~~1.1.5~~ ~~:KHHDYFKGDVDFHLYHGE\%88RDRPDKH7UDQPDMRQBRP SDQ\DRQDGD\~~
~~ZKFK\DRQVDFMGMCD\%88RDKDSEOMDFKGDVDRQVH%88HEVHVRQ~~
~~VHGHVROZIQMGMCD\Q~~

Section V 'Reporting, Annex V-1: Tables of Reports'

Amend the following two rows in Table 1-BMRS to read:

'DATA AND RELEVANT SETTLEMENT PERIODS	FREQUENCY	FORMAT	DEFAULT
2-14 day ahead National Margin 6X50V forecast (OCNMFDD) – daily peak half hour value	Daily	Tabular	Previous forecast
2-52 week ahead National Margin 6X50V forecast (OCNMFWD) – weekly peak half hour value	Weekly	Tabular	Previous forecast'

Insert a new Table 8 in Annex V-1 to read⁷:

~~7\$%(DDE)(1(5\$7,21C\$7\$39%,6+(121%88)(%,7(~~

~~1RVM~~

~~QKMDGCHVHPVMDCKDYHHPHQQVMDYHQVHPQG6FVRQ4~~

~~8RQPQDGDVDSFHMHKGDVDRBHSXEOMKHGDQGVHGD\IZHNRLRKHUSHURG~~
~~WZKFKVHGDVCHDM~~

7\$
DKHGDVDRQDCHQ-LDVO\HPDQGDVUJQDRUHFDMBZIQISHDNKDKRXUYDXH
IZHNRLRKHUSHURG\ZKFKVHGDVCHDM

⁷ These proposals are based on the legal draft changes for Modification Proposal P022.

Section X 'Definitions and Interpretations', Annex X-2: Technical Glossary'

Insert new definition 'surplus' (in appropriate alphabetic place) and amend the 'Generating Plant Demand Margin' definition to read:

Defined Term	Acronym	Units	Definition/Explanatory Text
'Generating Plant Demand Margin	OCNMFDRU 2810):V	MW	Has the meaning given to that term in OC2 of the Grid Code.
6X50V	63/	0:W	+DVKHPHDQJ DLYHQIRKDVHP LQZ&LRIVKHFUGBRHQ

Section X 'Definitions and Interpretations', Annex X-3: Glossary of Acronyms Applying Except In Relation To Settlement Section S'

Add two new acronyms to read:

Acronym	Units	Corresponding Defined Term or Expression
63/	0:W	6X50V
2810):V	0:W	*HQLDVQJBDQJHPDQSDVHQ

ANNEX 2 – PROPOSED TEXT TO MODIFY BSCCO MEMORANDUM AND ARTICLES OF ASSOCIATION

No changes are required.

ANNEX 3 – BSC AGENT IMPACT ASSESSMENTS

Annex 3.1 - High Level Impact Assessment

The following HLIA was received from the NETA Central Service Agent on 13th September 2001.

To be completed by the Originator						
Change Request ID (to be provided by the Customer) P33 Logica reference:			Service affected BMRA			
Change Request Name: ICR143			P033 Rectification of inconsistencies in terminology between the BSC and Grid Code OC2			
Agreement by the customer to proceed to the next stage						
	High Level Assessment	Detailed Level Assessment	Change Quotation	Implement Change	Emergency Fix Report	Change Request under Clause 14.2 (delay)
Tick which stage is being requested	✓					
Signed by Customer Baseline Manager						
Signed by Customer Contract Manager						
Date of agreement to proceed to next stage					n/a	n/a
Date this stage to be completed by	13/09/01					
Configuration of Service(s) (baseline affected)						
Assumed Changes (over baseline)		NETA Service Definition Baseline (V1.0)				
Priority		High/Medium/Low				
Identified by : Sandy Blows			Date Submitted: 29/08/01			
Description of Change See attached original P33.						
Reason for Change (benefits) See attached original P33						
Implications of not making the change See attached original P33						
Attachments/references		P33				
Competition Item Yes/No/n/a		Reasons for Competition				
If Change Request made under Clause 14.2 (delay)		Required supporting information attached				

To be completed by the Service Provider				
	High Level Assessment	Detailed Level Assessment	Change Quotation	
Tick which stage is being completed	✓			
Signed by Service Provider Contract Manager				
Date	13/09/01			
Validity period of costs/prices	Change Quotation			
	Change		30 days	
Does the change involve any changes to the System or Services			Yes	
Would the undertaking of a Detailed Level Assessment or Change Quotation delay the Trigger Milestone or the Planned Go-Live Date before Go Live or any Release Date after Go Live			N/a	
If Yes – specify which Milestones/Release Dates would be affected	N/a			
Impact on any Milestones of incorporation of change	N/a			
Indicative impact on resources for change incorporation	Phase of the work			
	Design	Build	Test & Trial	Operate
Labour				
Materials/3rd Party				
Impact on Service Levels	None			
Impact on IDD	Yes			
Price for Detailed Level Assessment				Indicative/firm
Price for Change Quotation				Indicative/firm
Price for Change				
Option A - NGC to provide to BMRS both the 'surplus' (as currently provided) and the Generating Plant Demand Margin (as required by the BSC) (from HLIA Request_050901, page 1, para 2)	£596,900 (ex VAT) to develop and implement the change		Indicative	
	£9,000 (ex VAT) per month to Operate and Maintain		Indicative	
Option C - NGC identified a third solution (C) which would result in the status quo being formally adopted both within the Grid Code and the BSC ie. NGC will provide the 'surplus' only to the BMRS.) (from HLIA Request_050901, page 1, para 4)	£65,700 (ex VAT) to develop and implement the change		Indicative	
	£1,000 (ex VAT) per month to Operate and Maintain		Indicative	

Assumptions for the above Price:		
<ul style="list-style-type: none"> • Logica will invoice 30% on receipt of CN or authorised start of work, 50% on completion of acceptance tests, 20% on deployment or one month after completion of acceptance tests, whichever is sooner. • Price does not include provision for indexation of daily fee rates with effect from 1st April 2002. • The Service Description will have been updated by ELEXON and agreed with Logica prior to deployment. • Only document updates will be submitted for review by ELEXON during the development of this change and a maximum of one working days has been allowed for ELEXON to review and comment on the updates. No allowance is included for addressing comments from ELEXON and only one iteration of all reviewed documents has been included in this price. • Within reasonable levels, ELEXON will make available appropriate staff to assist Logica during the development of this change • No allowance has been made for ELEXON to witness testing. • Regression testing will only be performed on our own system, with external interfaces being simulated as necessary. No allowance has been made for testing with external systems. • The cost and durations provided in this HLIA assume that only the CP to which the estimate relates is being implemented. This has been achieved by excluding the effects of other changes. • It is anticipated that if ELEXON require a DLIA, this will be carried out for a set of changes, and at that stage the timescale impact of implementing several changes can be included in the assessment. • There will be no new Service Levels. • The O+M charge has been estimated as a proportion of the price. 		

If the change is to be incorporated after Go Live, is this change proposed to be a patch or release		
If patch, expected time of incorporation		
If release - what release number	Release number	
Date	Release Date	
For High Level Assessment only – is it a Detailed Level Assessment Yes/No	If No, estimate of time and resources required to complete	
Resources Required to undertake	Detailed Level Assessment	Change Quotation
Labour		
Materials		
Consequential amendments to base line:		
Proposed method of Change/ Work statement	<p>Option A involves the NGC providing both 'surplus' and the Generating Plant Demand Margin (as required by the BSC). This option involves publication of a 'new' set of data on the BMRA website.</p> <p>Option C involves the re-labelling of the website data and update of documentation and web help text.</p>	
Proposed Plan for Change	<p>Option A – 28 weeks</p> <p>Option C – 8 weeks</p>	
Has the customer has indicated this is a competitive change		No
	Service Provider Plan for competition	
	Risks/Constraints of competition	
	Service Provider plan for incorporation of change including testing	
	Documentation to be produced by Service Provider to enable competition according to plan above	
	Indicative costs of Service Provider role in competition	

For Change Notice only – to be completed by the Customer
Basis for payment

Agreed Customer Caused Delay: Yes/No	
If Yes, amount of delay	
Date Change to become effective.	Is this to be a Release Date? Yes/No
Other items as required under the Change Management Procedures	

Annex 3.2 - Detailed Level Impact Assessment

The following DLIA was received from the NETA Central Service Agent on 9th October 2001.

To be completed by the Originator						
Change Request ID (to be provided by the Customer) P33 Logica reference:			Service affected BMRA			
Change Request Name: ICR 143			Market-Driven Trading Neutrality Band			
Agreement by the customer to proceed to the next stage						
	High Level Assessment	Detailed Level Assessment	Change Quotation	Implement Change	Emergency Fix Report	Change Request under Clause 14.2 (delay)
Tick which stage is being requested		✓				
Signed by Customer Baseline Manager						
Signed by Customer Contract Manager						
Date of agreement to proceed to next stage					n/a	n/a
Date this stage to be completed by		09/10/01				
Configuration of Service(s) (baseline affected)						
Assumed Changes (over baseline)		Service Definition Baseline (V1.0)				
Priority		High/Medium/Low				
Identified by : Sandy Blows			Date Submitted: 25/09/01			
Description of Change See attached original P33.						
Reason for Change (benefits) See attached original P33						
Implications of not making the change See attached original P33						
Attachments/references		P33				
Competition Item Yes/No/n/a		Reasons for Competition				
If Change Request made under Clause 14.2 (delay)		Required supporting information attached				
To be completed by the Service Provider						
	High Level Assessment	Detailed Level Assessment	Change Quotation			
Tick which stage is being completed		✓				
Signed by Service Provider Contract Manager						
Date		09/10/01				
Validity period of costs/prices		Change Quotation				
		Change		30 days		
Does the change involve any changes to the System or Services					Yes	

Would the undertaking of a Detailed Level Assessment or Change Quotation delay the Trigger Milestone or the Planned Go-Live Date before Go Live or any Release Date after Go Live		N/a		
If Yes – specify which Milestones/Release Dates would be affected		N/a		
Impact on any Milestones of incorporation of change		N/a		
Indicative impact on resources for change incorporation	Phase of the work			
	Design	Build	Test & Trial	Operate
	Labour			
	Materials/3rd Party			
Impact on Service Levels	None			
Impact on IDD	No			
Price for Detailed Level Assessment			Indicative/firm	
Price for Change Quotation			Indicative/firm	
Price for Change				
Provision of surplus only to the BMRS. (Solution C)	£36,800 (ex VAT) to develop and implement this change		Firm	
	£554 (ex VAT) per month to operate and maintain		Firm	
Assumptions for the above Price:				
<ul style="list-style-type: none"> • This is a DLIA for the Solution C option (Provision of surplus only to the BMRS) quoted by Logica as a High Level Impact Assessment on 13 September, 2001. and does not include any additional reporting requirements other than those explicitly detailed in the P33 change details. • Price does not include provision for indexation of daily fee rates with effect from 1st April 2002. • This change will be implemented as a patch with localised integration testing. • Deployment will require a planned outage. • Participant testing is excluded from the price and any required is expected to be charge T&M. • Logica will invoice in full for this change on deployment or within one month of the change being ready for deployment. • The Service Description will have been updated by ELEXON and agreed with Logica prior to commencement of work. • For all formal documentation which is subject to review, Logica shall provide one draft issue to the Client. The Client shall review and provide written comments on, or its acceptance of, such documentation within 5 working days of such delivery. • Within reasonable levels, ELEXON will make available appropriate staff to assist Logica during the development of this change. • There will be no new Service Levels. ▪ The O+M charge has been estimated as a proportion of the price. 				
If the change is to be incorporated after Go Live, is this change proposed to be a patch or release		Patch		
If patch, expected time of incorporation		Just over 5 weeks after authorisation to proceed		
If release - what release number		Release number		
Date		Release Date		
For High Level Assessment only – is it a Detailed Level Assessment Yes/No		If No, estimate of time and resources required to complete		
Resources Required to undertake	Detailed Level Assessment	Change Quotation		
Labour				

Materials		
Consequential amendments to base line:		
Proposed method of Change/ Work statement	Provision of 'surplus' only by NGC to the BMRS. This solution would effectively formalise the status quo being operated by NGC.	

Proposed Plan for Change		Week 1	Week 2	Week 3	Week 4	Week 5	Week 6
1	MP33 DLIA	[Gantt bar spanning Weeks 1-6]					
2	Document	[Gantt bar spanning Weeks 1-4]					
3	URS	[Task bar]					
4	SS			[Task bar]			
5	DS			[Task bar]			
6	IDD	[Task bar]					
7	ELEXON review of URS & IDD		[Task bar]				
8	Rework after ELEXON review		[Task bar]				
9	Sign off Requirements Spec			[Task bar]			
10	Review Documentation Suite			[Task bar]			
11	Sign off of Documentation Suite			[Task bar]			
12	Develop Change		[Task bar]				
13	Develop Code		[Task bar]				
14	Review Code		[Task bar]				
15	Module Test			[Task bar]			
16	Write Test Specification			[Task bar]			
17	Review Test Specification			[Task bar]			
18	Execute Tests			[Task bar]			
19	Build Deployment			[Task bar]			
20	Document Build Procedure			[Task bar]			
21	Review Build Notes			[Task bar]			
22	Build Patch / Release			[Task bar]			
23	Test Build Procedure			[Task bar]			
24	End of MDCT			[Task bar]			
25	Patch Test			[Task bar]			
26	Write Test Specification			[Task bar]			
27	Review Test Specification			[Task bar]			
28	Create / Retrieve Test Data			[Task bar]			
29	Document Expected Results			[Task bar]			
30	Begin Patch Testing			[Task bar]			
31	Deploy Patch / Release			[Task bar]			
32	Execute Tests			[Task bar]			
33	Review Test Results			[Task bar]			
34	Rework			[Task bar]			
35	Redeploy Patch			[Task bar]			
36	Re-execute Tests			[Task bar]			
37	End Patch Testing			[Task bar]			
38	External Market Participant Testing					[Task bar]	
39	Client Acceptance Meeting					[Task bar]	
40	Acceptance Sign Off					[Task bar]	
41	Configuration and Live Release					[Task bar]	
42	Create Final Build					[Task bar]	
43	Deploy Release / Patch					[Task bar]	
44	Execute Patch Test					[Task bar]	
45	Live Implementation					[Task bar]	
Has the customer has indicated this is a competitive change							No
Service Provider Plan for competition							
Risks/Constraints of competition							
Service Provider plan for incorporation of change including testing							
Documentation to be produced by Service Provider to enable competition according to plan above							
Indicative costs of Service Provider role in competition							
For Change Notice only – to be completed by the Customer							
Basis for payment							
Agreed Customer Caused Delay: Yes/No							
If Yes, amount of delay							
Date Change to become effective.				Is this to be a Release Date? Yes/No			
Other items as required under the Change Management Procedures							

ANNEX 4 – CORE INDUSTRY DOCUMENT IMPACT ASSESSMENTS

NGC confirmed on 14th September 2001 that there would be an impact on the Grid Code. Their response is contained in Annex 5.

ANNEX 5 – TRANSMISSION COMPANY ANALYSIS

See separate document 'P33 Annex 1' for the representations received.

ANNEX 6 – TERMS OF REFERENCE AND REPORT/ANALYSIS OF EXTERNAL CONSULTANTS/ADVISERS

Pursuant to paragraph F2.4.12 of the BSC, the following terms of references were endorsed by the Panel on 23rd August 2001:

1. an initial consultation would be undertaken to ascertain whether Parties are satisfied with the current arrangements on the provision of information. The results of this consultation to be presented to the Panel meeting of 20th September 2001;
2. an investigation of the inconsistencies in terminology used within the BSC, the Grid Code, Code Subsidiary Documents, other configurable items and the BMRS web pages would be undertaken;
3. the examination of the various solutions to determine the preferred approach, taking into account the impact of NGC continuing to operate to the status quo;
4. consultation on the proposed options and any alternatives; and
5. the impacts on existing processes and systems.

No external consultants/advisers were employed by the Group.

ANNEX 7 – MODIFICATION P033

Modification Proposal	MP No: P33 <i>(mandatory by BSCCo)</i>
Title of Modification Proposal <i>(mandatory by proposer):</i> Rectification of inconsistencies in terminology between the BSC and Grid Code OC2	
Submission Date <i>(mandatory by proposer):</i> 10/08/01	
Description of Proposed Modification <i>(mandatory by proposer):</i> National Grid has recently identified that we are inadvertently providing an incorrectly labelled data item to the BMRS forecast pages. This is due to inconsistencies in terminology between the Grid Code OC2 data we have produced since privatisation and the requirements of the BSC. This confusion is compounded by nomenclature differences between the BSC and the BMRS Forecast and Help pages. This modification seeks to resolve all these issues, and remove any potential misunderstanding by the provision of an additional data item on the BMRS.	
Description of Issue or Defect that Modification Proposal Seeks to Address <i>(mandatory by proposer):</i> National Grid has recently identified differences in terminology between the BSC, BMRS and Grid Code OC2 that means that we are currently providing incorrectly labelled data to the BMRS Forecast pages. The problem occurs because the BSC refers to a “Generating Plant Demand Margin” and the Grid Code refers to “Surplus”. Unlike “Generating Plant Demand Margin”, “Surplus” takes National Grid’s Operating Plant Margin into account. This margin represents the additional generation over and above the demand that is needed in reality to ensure that the demand can be met. At present we are providing the OC2 derived Surplus data to the BMRS. To resolve this discrepancy we propose that both Surplus and Generating Plant Demand Margin data is provided in future on the BMRS. This will require the definition of the additional term Surplus within the BSC. For consistency this will need to be given an identical interpretation to that in OC2 of the Grid Code. In addition we have noted that inconsistencies in the labelling of the BMRS 2-14 Day, and 2-52 Week Ahead Forecast and Help pages also need resolving. These currently refer to “National Margin Based on OC2” instead of the correct BSC definition “Generating Plant Demand Margin”. Attached to this Modification is a supporting note that provides further details.	
Impact on Code <i>(optional by proposer):</i> The introduction to Table X-1 of a definition of the term Surplus to read ‘Surplus generation after allowances for Demand, National Grid’s Operating Plant Margin, Plant outages and Breakdown have been subtracted’. In terms of calculating numerical values this will be (Generating Plant Demand Margin)-(National Grid’s Operating Plant Margin). Modification of Section V to reflect the introduction of the term ‘Surplus’ and its inclusion on the BMRS display.	
Impact on Core Industry Documents <i>(optional by proposer):</i> Consistency achieved between the Grid Code and BSC.	

Modification Proposal	MP No: P33 <i>(mandatory by BSCCo)</i>
<p>Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties <i>(optional by proposer):</i></p> <p>Modification to National Grid's software that provides data to the BMRS. Modification to the BMRS Forecast displays to include a graphical display of Surplus and Generation Plant Demand Margin, for both 2-14 day and 2.52 week timescales. Rationalisation of the BMRS labelling of variables on both the Forecast and Help pages.</p>	
<p>Impact on other Configurable Items <i>(optional by proposer):</i></p>	
<p>Justification for Proposed Modification with Reference to Applicable BSC Objectives <i>(mandatory by proposer):</i></p> <p>The modification will provide clarity and ensure that there is consistency between the Grid Code and BSC. It will remove the existing data error, and ensure the consistent information is sent to generators (via OC2) and BM participants (via the BMRS), thereby eliminating any confusion. This also improves transparency of information to all market participants. This therefore fulfils the BSC Objective of promoting effective competition in the sale and purchase of electricity.</p>	
<p>Details of Proposer:</p> <p style="padding-left: 40px;">Name: David Wright</p> <p style="padding-left: 40px;">Organisation: National Grid</p> <p>Telephone Number: 0118 936 3460</p> <p style="padding-left: 40px;">Email Address: david.wright@uk.ngrid.com</p>	
<p>Details of Proposer's Representative:</p> <p style="padding-left: 40px;">Name: David Wright</p> <p style="padding-left: 40px;">Organisation: National Grid</p> <p>Telephone Number: 0118 936 3460</p> <p style="padding-left: 40px;">Email Address: david.wright@uk.ngrid.com</p>	
<p>Details of Representative's Alternate:</p> <p style="padding-left: 40px;">Name: Martin Banton</p> <p style="padding-left: 40px;">Organisation: National Grid</p> <p>Telephone Number: 0118 936 3479</p> <p style="padding-left: 40px;">Email Address: martin.banton@uk.ngrid.com</p>	
<p>Attachments: YES</p> <p>If Yes, Title and No. of Pages of Each Attachment:</p> <p>"BSC Modification – Rectifying Grid Code / BSC Inconsistencies – Supporting Notes" (2 pages)</p>	

BSC Modification – Rectifying Grid Code / BSC Inconsistencies

Supporting Notes

Background

Since the introduction of NETA National Grid has been sending Generation Margin Information to the BMRS Forecast pages. We have recently realised that the data we have been providing, which is an output from our Grid Code OC2 process, is not what is required by the BSC due to detailed differences in terminology between the Grid Code and the BSC. This problem is compounded by nomenclature discrepancies between the BMRS Forecast and Help pages, and the BSC itself. This modification seeks to rectify all these issues, and therefore remove the associated ambiguity.

These supporting notes provide a detailed description of the problem.

Definitions

OCNMFD, Generating Plant Demand Margin. (BSC) “Has the meaning given to that term in OC2 of the Grid Code.”

Generating Plant Demand Margin (Grid Code) “The difference between Output Useable and Forecast Demand.”

OU, Output Useable (Grid Code) “That portion of Registered Capacity which is not unavailable due to a Planned Outage or Breakdown.”

Grid Code **OC2.4.1.2.3(b)** and **OC2.4.1.2.4(c)** state “NGC will assess whether the estimates of Output Useable supplied by generators are sufficient to meet forecast NGC demand plus the Operational Planning Margin.”

Operational Planning Margin (Grid Code) “An Operational Planning Margin set by NGC.” Effectively this is the additional generation over and above the demand that is needed in reality to ensure that the demand can be met in real time.

Current Situation

The Pre-NETA market information systems, for timescales 2 days to 5 years ahead, are detailed in the Grid Code OC2. These are still required and are being completed in line with the requirements. Effectively, the Grid Code requires National Grid to produce “*MW shortfalls and surpluses* and potential export limitations both nationally and for zonal groups”. These surpluses/shortfalls are not formally defined in the Grid Code. However they are referred to in Grid Code OC2.

The current practice which is understood and accepted by OC2 recipients, is that MW figures of “Surplus” generation take into account allowances for generation plant outages and breakdown, demand, and *National Grid’s Operating Plant Margin*.

The BMRS Forecast pages currently display two values on each of the 2-14 day and 2-52 week pages. These are:

- 1) “Demand” - No issues.
- 2) “National Margin based on OC2” – This variable is called OCNMFD for 2-14 day and OCNMFW for 2-52 week.

The BSC calls OCNMFD the “Generation Plant Demand Margin” and references Grid Code OC2 for a formal definition. In the Grid Code this is defined as the difference between Generation Registered Capacity and demand after allowances for Plant Outages and Breakdown have been removed. The conflict arises because the OCNMFD, (and OCNMFW) data being sent to the BMRS is in fact OCNMFD (or OCNMFW dependant on timescale) minus National Grid’s Operational Planning Margin. In the Grid Code this item is called “Surplus”.

Further ambiguity exists because the OCNMFD, (and OCNMFW) variables have different names in the BSC and on the BMRS Forecast and Help pages. These are summarised below:

BSC refers to	“Generation Plant Demand Margin”
BMRS Forecast Pages refers to	“National Margin based on OC2”
BMRS Help pages refer to	“National Margin”, (amongst other terms)

Resolution

In order to remove any misunderstanding between conflicting data items being distributed via Grid Code OC2 and the BMRS Forecast pages, National Grid proposes that both "Generating Plant Demand Margin" and "Surplus" data are provided via the BMRS in future. The alternative would be to provide correct "Generating Plant Demand Margin" data as is required by the BSC. However National Grid feels that this may result in market confusion, particularly since there is a likelihood that real time system warnings will be in force whilst the Generation Plant Demand Margin indicates a significant positive margin. This is because this parameter does not include our Operating Plant Margin, which is the additional generation over and above the demand that we need available to ensure that the demand can be met.

It is therefore proposed that the information sent to the BMRS be modified to include the true BSC definition of OCNMFD together with generation "Surplus" data. The term Surplus would also need to be defined in the BSC, and be given the same meaning / interpretation as that under Grid Code OC2. Notes on the BMRS Help pages would also require updating so that all users are fully aware of the differences between the two. This will achieve:

- Consistency between BSC and OC2.
- OCNMFD would be correctly displayed on the BMRS.
- Clarity of information presented to market participants.

Software modifications will be required by both ngc and logica to achieve these changes.