

August 2002

MODIFICATION REPORT
MODIFICATION PROPOSAL P89 –
Clarification of the Time-Scales for
Submitting MEL/MIL Data to the BMRA

Prepared by ELEXON on behalf of the Balancing
and Settlement Code Panel

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II CONTENTS TABLE

I	Document Control	2
a	Authorities	2
b	Distribution	2
c	Intellectual Property Rights and Copyright.....	2
II	Contents Table	3
1	Summary and Recommendations	4
1.1	Recommendation.....	4
1.2	Background.....	4
1.3	Rationale for Recommendations	4
2	Introduction	5
3	History of Proposed Modification	5
4	Description of Proposed Modification	6
5	Legal Text to Give Effect to the Proposed Modification	8
5.1	Conformed Version	8
5.2	Clean Version	8
6	Assessment	8
7	Summary of Representations	9
Annex 1 – Representations		10
Annex 2 – Modification Proposal P89		15

1 SUMMARY AND RECOMMENDATIONS

1.1 Recommendation

On the basis of the analysis, assessment and consultation undertaken in respect of Modification Proposal P89 and the resultant findings of this report, the Balancing and Settlement Code (‘the Code’ or ‘BSC’) Panel recommends that:

Modification Proposal P89 should be made and implemented 15 Working Days after the Authority Determination.

1.2 Background

Modification Proposal P89 ‘Clarification Of the Timescales for Submitting MEL/MIL Data to the BMRA’ (P89) included in Annex 2, was submitted on 2 July 2002 by National Grid.

The initial assessment of P89 identified that this Modification Proposal affects paragraph Q6.1.10 of the Code. During the drafting of legal text, it was noted that whilst the Modification Proposal explicitly mentions the timing of Maximum Export Limit (MEL) and Maximum Import Limit (MIL) submissions, it does not mention Quiescent Physical Notification (QPN) data submissions which are also described in the same paragraph. After consultation with the Proposer and with ELEXON’s legal advisors, it was determined that the omission of QPN data submissions in the proposal was a mistake, and that it was the intent of the proposal to address both issues. In the interest of efficiency, the legal text was drafted to address MEL/MIL and QPN data submissions.

The Panel considered the Initial Assessment for P89 and the draft legal text during their meeting on 18 July 2002. The Panel agreed that the draft legal text accurately represents the intent of the proposal. The Panel also agreed that P89 is of a minor and inconsequential nature and that it should be submitted directly to Report Phase for consideration at the Panel meeting on 15 August 2002.

A draft Modification Report was prepared and sent to Parties on 29 July 2002 for consultation by 5 August 2002. Subsequently, the draft Modification Report was amended in the light of the representations received, together with a summary of those representations.

1.3 Rationale for Recommendations

The Panel agreed that P89 better achieves the following Applicable BSC Objectives as set out in Condition C3 of the Transmission Licence:

- (b) The efficient, economic and co-ordinated operation by the Transmission Company of the Transmission System; and
- (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.

The Panel also noted that implementing the proposed changes would ensure that the BSC better reflects the working practice already in place for the provision of data to the Balancing Mechanism Reporting Agent (BMRA) by the Transmission Company.

2 INTRODUCTION

This Report has been prepared by ELEXON Ltd., on behalf of the Balancing and Settlement Code Panel ('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.

This Modification Report is addressed and furnished to the Gas and Electricity Markets Authority ('the Authority') and none of the facts, opinions or statements contained herein may be relied upon by any other person.

An electronic copy of this document can be found on the BSC website at www.elexon.co.uk

3 HISTORY OF PROPOSED MODIFICATION

P89 was raised by National Grid on 2 July 2002. P89 seeks to amend paragraph Q6.1.10 of the Code to state that MEL/MIL updates relating to a Settlement Period for which the gate has closed should be notified to the BMRA within 5 minutes, but MEL/MIL data relating to a Settlement Period for which the gate has not yet closed should be notified within 15 minutes after Gate Closure for the Settlement Period to which the data refers. During the drafting of legal text, it was noted that whilst the Modification Proposal explicitly mentions the timing of MEL/MIL submissions, it does not mention QPN data submissions which are also described in the same paragraph. After consultation with the Proposer and with ELEXON's legal advisors, it was determined that the omission of QPN data submissions in the proposal was a mistake, and that it was the intent of the proposal to address both issues¹. In the interest of efficiency, the legal text was drafted to address MEL/MIL and QPN data submissions.

The Panel considered the Initial Assessment for P89 and the draft legal text during their meeting on 18 July 2002. The Panel agreed that the draft legal text accurately represents the intent of the proposal.

The Panel noted that, for the purposes of P89, the Transmission Company is compliant with the BMRA and SAA Interface Specification which is already consistent with the proposed modification. Therefore, implementing the proposed changes would ensure that the BSC better reflects the working practice already in place for the provision of data to the BMRA by the Transmission Company. The Panel also noted the Proposer's argument that if any MEL/MIL updates were published to the market before Gate Closure, the availability of this information might make it difficult for Participants to trade out of their positions. Participants would then have a perverse incentive to withhold accurate and timely MEL/MIL information from the Transmission Company.

In recognition of the above, the Panel agreed that P89 better achieves the following Applicable BSC Objectives as set out in Condition C3 of the Transmission Licence:

- (b) The efficient, economic and co-ordinated operation by the Transmission Company of the Transmission System; and
- (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.

The Panel also agreed that P89 was of a minor and inconsequential nature and that it should be submitted straight to Report Phase for consideration at the Panel meeting on 15 August 2002.

¹ Furthermore, it was noted that QPN data submissions are not currently used by the Transmission Company.

A draft Modification Report was prepared and issued for industry consultation on 29 July 2002. The draft Modification Report together with all consultation responses was considered by the Panel during their meeting on 15 August 2002. The Panel noted that as P89 had been sent directly to Report Phase, the consultation responses had not had the benefit of being discussed in a Modification Group.

During the ensuing discussion, the Panel noted that a practical effect of shortening Gate Closure from 3½ hours to 1 hour had been to delay the reporting of MEL/MIL/QPN data received between 1 and 3½ hours before the start of a Settlement Period to which such data refers. It was also recognised that some of the consultation responses indicated the existence of inconsistencies (beyond the scope of P89) between current practice and the BSC. The Panel expressed concern lest new Modification Proposals should be raised with the sole purpose of aligning the BSC with current systems. In the absence of further justification, practice should be aligned with the BSC, not vice versa. It was emphasised that modifications to the BSC could only be justified with reference to the Applicable BSC Objectives.

4 DESCRIPTION OF PROPOSED MODIFICATION

P89 seeks to amend paragraph Q6.1.10 of the BSC to state that MEL/MIL updates relating to a Settlement Period for which the gate has closed should be notified to the Balancing Mechanism Reporting Agent (BMRA) within 5 minutes, but MEL/MIL data relating to a Settlement Period for which the gate has not yet closed should be notified within 15 minutes after Gate Closure for the Settlement Period to which the data refers. During the drafting of legal text, it was noted that whilst the Modification Proposal explicitly mentions the timing of MEL/MIL submissions, it does not mention QPN data submissions which are also described in the same paragraph. After consultation with the Proposer and with ELEXON's legal advisors, it was determined that the omission of QPN data submissions in the proposal was a mistake, and that it was the intent of the proposal to address both issues. In the interest of efficiency, the legal text was drafted to address both MIL/MEL and QPN data submissions.

Paragraph Q6.1.10 of the BSC requires the Transmission Company to send MEL/MIL and QPN updates to the BMRA within 5 minutes following the receipt of a notification of change. The Proposer believes that this requirement extends BMRA data beyond the Balancing Mechanism (BM) window and hence beyond the scope of the Code. The Proposer also notes that the Transmission Company is not strictly compliant with the timescales in paragraph Q6.1.10, and seeks to bring the Code in line with current practice which is felt to better facilitate the Applicable BSC Objectives.

It should also be noted that P89 would align the publication of MEL/MIL and QPN data (received before Gate Closure) with the publication of Final Physical Notification (FPN) and Bid-Offer data according to paragraph Q6.1.11 of the Code.

MEL/MIL data is unusual as there are two separate routes for Parties to notify changes to the Transmission Company. Electronic Data Transfer (EDT) is used for bulk transfer of data to the Transmission Company before Gate Closure, whereas Electronic Dispatch Logging (EDL) can be used for submitting MEL/MIL data before or after Gate Closure.

If updates to MEL/MIL are made before Gate Closure via EDT or EDL, this data resides in a Transmission Company database until Gate Closure for the relevant Settlement Period. A bulk transfer of data from the Transmission Company to the BMRA (called 'the Gate Closure Job') takes place within 15 minutes after Gate Closure. In addition to the MEL/MIL information for the relevant Settlement Period, the Gate Closure Job transmits other data items to the BMRA including Physical Notifications and Bid-Offer Data. Any changes to MEL/MIL data submitted after Gate Closure via EDL are separately transferred to the BMRA within 5 minutes of receipt.

The Proposer emphasises that the Transmission Company is compliant with the timescales prescribed by the BMRA and SAA Interface Specification which is already consistent with the proposed modification in terms of the relevant timescales. As noted above, the BMRA and SAA Interface Specification aligns the timescales for the submission of MEL/MIL data (received before Gate Closure) with the submission of all other data in the Gate Closure Job. The Proposer suggests that this practice better facilitates the Applicable BSC Objectives because if any MEL/MIL updates were published to the market before Gate Closure, the availability of this information might make it difficult for Participants to trade out of their positions. It is felt that Participants would then have a perverse incentive to withhold accurate and timely MEL/MIL information from the Transmission Company. If Participants were to delay sending updated MEL/MIL information in order to avoid weakening their market positions, then the result would be an impediment to the efficient, economic and coordinated operation by the Transmission Company of the Transmission System.

5 LEGAL TEXT TO GIVE EFFECT TO THE PROPOSED MODIFICATION

P89 affects paragraph Q6.1.10 of the Code.

5.1 Conformed Version

~~6.1.10~~ Not later than ~~5~~ 15 minutes following ~~receipt of a notification of change to data submitted in accordance with paragraph 2.2 or 2.3~~ Gate Closure for each Settlement Period, the Transmission Company shall send to the BMRA the following data, so far as relating to that Settlement Period, received by Gate Closure, for each BM Unit for which it has so received such data: any notifications of

(a) the Maximum Export Limit data or the Maximum Import Limit data (including any change to such data) and the time of notification and the effective time submitted in accordance with paragraph 2.2, and

(b) any Quiescent Physical Notification data (including any change to such data) submitted in accordance with paragraph 2.3;

~~and where after Gate Closure the Transmission Company is notified of any change in any such data (so far as relating to such Settlement Period) the Transmission Company shall send to the BMRA such changed data, and the time of notification and the effective time of such change, not later than 5 minutes following receipt of notification of such change.~~

5.2 Clean Version

6.1.10 Not later than 15 minutes following Gate Closure for each Settlement Period, the Transmission Company shall send to the BMRA the following data, so far as relating to that Settlement Period, received by Gate Closure, for each BM Unit for which it has so received such data:

(a) the Maximum Export Limit data or the Maximum Import Limit data (including any change to such data) submitted in accordance with paragraph 2.2, and

(b) any Quiescent Physical Notification data (including any change to such data) submitted in accordance with paragraph 2.3;

and where after Gate Closure the Transmission Company is notified of any change in any such data (so far as relating to such Settlement Period) the Transmission Company shall send to the BMRA such changed data, and the time of notification and the effective time of such change, not later than 5 minutes following receipt of notification of such change.

6 ASSESSMENT

The implementation issues associated with P89 are of an inconsequential nature and require minor enhancements to be incorporated within Section Q of the Code.

The Transmission Company has confirmed that there is no impact on the Grid Code or any of their systems and processes. As P89 seeks to align the MIL/MEL and QPN data submission timescales in the Code with the BMRA and SAA Interface Specification which prescribes current practice, it is not expected that any further software, process or documentation changes will be required beyond the amendment to the BSC. In particular, all relevant Transmission Company documentation and BSC Central Systems are assumed to be wholly consistent with the Interface Specification for the purposes of P89².

² As noted in Section 7 of this report, there may be other inconsistencies between the BSC and the BMRA or between the software and the Interface Specification, which are not within the scope of this modification. P89 seeks to clarify only the timescales of MEL/MIL and QPN data submission; it does not seek to address all known inconsistencies.

7 SUMMARY OF REPRESENTATIONS

Ten responses (representing 16 Parties) were received to the consultation on the draft Modification Report for P89. Six responses (representing 13 Parties) supported the Modification Proposal while two responses (representing 3 Parties) did not support the proposed change. In addition, two responses (from non-BSC-Parties) commented on the draft Modification Report but expressed neither support nor opposition to P89.

In summary, ELEXON believes that P89 was supported by the majority of respondents, and that no new substantive arguments were provided. There were, however, a number of issues raised which are strictly outside the scope of P89. These could be addressed by further Modification Proposals.

The Parties that chose not to support P89 recognised the Proposer's concerns but argued that these were dominated by the advantage to be gained by releasing MEL/MIL information as early as possible to the market. Since P89 would in effect align the publication of MEL/MIL data (received before Gate Closure) with the publication of FPN and Bid-Offer data, ELEXON believes that the utility of reconciling the BSC with current practice outweighs any benefits of releasing MEL/MIL data earlier than all other data in the Gate Closure Job³.

These respondents also felt that it might be possible for National Grid to gain competitive advantage by using its prior knowledge of MEL/MIL data. As the Transmission Company is subject to regulation, ELEXON believes that such market distortion should not occur.

As noted above, there were also a number of responses which extended outside the scope of P89. ELEXON is considering these issues separately. These are detailed below:

One of the responses suggested that P89 went against "the philosophy of the BSC", especially against the promise of moving towards real-time balancing. ELEXON believes that considerations pertaining to real-time balancing belong in a separate Modification Proposal. It is felt that the assessment of such a separate Modification Proposal would highlight any issues involved. P89 is intended only to address a small inconsistency about the timing of MEL/MIL and QPN data submissions.

Amongst the 13 Parties that supported the Modification Proposal, one Party agreed very strongly with the Proposer's argument and felt that the draft legal text did not sufficiently restrict the timescale for MEL/MIL data submissions. As the remaining supporters of P89 including the Proposer agreed that the draft legal text represented the intent of the proposal, ELEXON believes that any further restrictions on the timescale (in order to prevent MEL/MIL data submission before Gate Closure) would have to be the subject of a separate Modification Proposal.

Similarly, the consultation response on behalf of the BMRA raised a number of issues which are not within the scope of this report. The BMRA was concerned that some further inconsistencies would remain between current practice and the BSC even after the implementation of P89. While ELEXON recognises this concern, it should be noted that P89 seeks only to clarify the timescale of MIL/MEL and QPN data submissions. As noted in the consultation response from the Proposer, P89 has not introduced new inconsistencies or aggravated any existing ones. Issues relating to other (and previously known) inconsistencies between the BMRA and the BSC would need to be resolved outside the scope of P89.

³ On 18 July 2002, the Panel also noted the Proposer's argument that if any MEL/MIL updates were published to the market before Gate Closure, the availability of this information might make it difficult for Participants to trade out of their positions. Participants would then have a perverse incentive to withhold accurate and timely MEL/MIL information from the Transmission Company. The result would be an impediment to the efficient, economic and coordinated operation by the Transmission Company of the Transmission System. As a result, the Panel determined that P89 would better facilitate the Applicable BSC Objectives (c) and (d).

ANNEX 1 – REPRESENTATIONS

The consultation was issued 29 July 2002. Representations were received from the following parties:

No	Company	File Number	No. Parties Represented
1.	BMRA	P89_MR_001	0
2.	Cornwall Consulting	P89_MR_002	0
3.	Scottish and Southern	P89_MR_003	4
4.	LE Group	P89_MR_004	1
5.	SEEBOARD	P89_MR_005	1
6.	British Gas Trading	P89_MR_006	1
7.	Scottish Power	P89_MR_007	5
8.	British Energy	P89_MR_008	1
9.	National Grid	P89_MR_009	1
10.	AEP Energy (late response)	P89_MR_010	2

P89_MR_001 – BMRA (not a BSC Party)

Consultation response from David Hicks, design authority, on behalf of the BMRA (Service Provider).

In the report (section 6) it says "P89 seeks to align the Code with the BMRA and SAA Interface Specification which prescribes current practice" and "all relevant Transmission Company documentation and BSC Central Systems are assumed to be wholly consistent with the Interface Specification for the purposes of P89".

There are two significant differences between the draft legal text and the Interface Specification. I believe the BMRA is consistent with the Interface Specification.

1. Re-Declarations of QPN

The draft legal text says that where the TC is notified of changes in MIL, MEL and QPN, "the Transmission Company shall send to the BMRA such changed data".

However, the Interface Specification states:

BMRA and SAA Interface specification (NGC reference IS/24.12.001)
Gate Closure Data

All BM data submitted to, accepted and/or defaulted by National Grid for missing data (i.e. not rejected as a result of validation or consistency checks) will be made available. Data will be provided within a target time of 5 or 15 minutes (as appropriate) after each gate closure and for one settlement period only i.e. for the ½ hour period just closed. The following data will be made available for each BM unit:

- PN (PN – Physical Notification)
- Quiescent PN (QPN)
- Bid – Offer Data (BOD)
- Maximum Export Limit & Maximum Import Limit (MEL & MIL)

Acceptance Data

Acceptance data will be made available within a target time of 15 minutes of National Grid accepting a Bid – Offer. The following information will be contained within the data:

- Bid – Offer Acceptance Level (BOAL)

Re-Declaration

Re-declaration data will be made available within a target time of 5 minutes of National Grid accepting a re-declaration. The following information will be contained within the data:

- Dynamic Data
- Maximum Export Limit & Maximum Import Limit (MEL & MIL).

Only updates to the MEL & MIL data within the BM window will be sent.

Here it is clear that QPN is not included in the set of data covered by Re-Declaration. The BMRA System does not support updates to QPN. If QPN data is received where data already exists, the new data is rejected. To change the interface to allow electronic updating of QPN would require changes to the BMRA system.

2. Re-Declaration messages

In the legal text, it says (of notification of changes) “the Transmission Company shall send to the BMRA such changed data, and the time of notification and the effective time of such change”.

The interfaces defined in the Interface Specification do not include the time of notification and so do not comply with the draft legal text. To include them would require changes to both the NGC and Logica systems.

P89_MR_002 – Cornwall Consulting (not a BSC Party)

With regard to the above modification can you clarify that the 'bulk transfer' of data submitted via EDT to the BMRA at Gate Closure + 15 mins will not overwrite data submitted post Gate Closure via EDL. NGC currently sends revised MIL/MEL data to the BMRA at Gate Closure + 5mins and therefore this data could be overwritten by the 'bulk transfer' in the GC + 6mins to GC +15mins window. Are there BMRA processes which prevent this?⁴

Lee Wood
Cornwall Consulting

P89_MR_003 – Scottish and Southern

This response is sent on behalf of Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd. and SSE Energy Supply Ltd.

Further to your note of 29th July 2002, and the associated Modification Report for P89, we agree with the proposed BSC Panel recommendation to the Authority that this Modification Proposal P89 should be made.

If the Modification Proposal P89 is approved, we agree with the proposed BSC Panel recommendation on the timing for the Implementation Date, as outlined in Section 1.1 of the Draft Modification Report.

⁴ In response to this technical question, ELEXON has determined that the BMRA is capable of handling time-stamped data correctly.

Regards
Garth Graham
Scottish & Southern Energy plc

P89_MR_004 – LE Group

Thank you for the opportunity to comment. We agree that the timescales which the Transmission Company are adhering to with regard to the submission of MEL, MIL and QPN data to the BMRA are indeed not concurrent with the timescales as set out in the BSC. Additionally we agree that the BSC timescales should be aligned with the Transmission Company's operational timescales for the submission of MEL, MIL and QPN data, as we strongly believe that this data should not be released to the BMRA until gate closure has passed for the Settlement Period to which it is pertaining.

However, with regards to the proposed legal text for paragraph Q6.1.10 of the BSC Code which is found in Section 5.1 of the Draft Modification Report, we are not certain that this legally enforces the intention of the modification. This intention is that the Transmission Company are obliged not only to;

* Send MEL, MIL and QPN data to the BMRA within 15 minutes following Gate Closure for the Settlement Period for which it is pertaining if received before Gate Closure, or

* Send MEL, MIL and QPN data within 5 minutes if received after Gate Closure,

but also it is obliged not to send this data before Gate Closure for the Settlement Period for which it is pertaining. We believe that the latter point probably needs to be more explicitly stated in the proposed legal text and would be willing to liaise (from a market participant standpoint) with the writers of the text concerning this point.

Rob Hetherington
for Liz Anderson, Energy Strategy & Regulation Manager
LE Group plc

P89_MR_005 – SEEBOARD

With respect to above mentioned modification and draft report dated 29th July 2002. We agree with recommendation detailed within section 1.1 of this report and implementation date detailed within that section.

Dave Morton
SEEBOARD Energy Limited

P89_MR_006 – British Gas Trading

Thank you for the opportunity of responding to this consultation. British Gas Trading Ltd (BGT) support this proposal. The approach outlined is a pragmatic solution and we agree that the changes proposed will better facilitate the Applicable BSC Objectives as stated in the final report.

Yours faithfully

Danielle Lane
Transportation Analyst

P89_MR_007 – Scottish Power

With reference to the above, we offer our support to P89: "Clarification of the Timescales for Submitting MEL/MIL Data to the BMRA" Modification Proposal.

We agree with the Panel that P89 better the Applicable BSC Objectives, clarifies and reflects the working practice already in place.

We have considered the legal drafting provided and agree that it is appropriate.

I trust that you will find these comments helpful. Nonetheless, should you require further clarification of any of the above, please do not hesitate to contact me.

Yours Sincerely,

Man Kwong Liu
Calanais Ltd.

For and on behalf of: - *Scottish Power UK Plc.; Scottish Power Energy Trading Ltd.; Scottish Power Generation Ltd.; Scottish Power Energy Retail Ltd.; SP Transmission Ltd.*

P89_MR_008 – British Energy

From: Rachel Ace
British Energy

The BSC requires NGC to forward MIL/MEL & QPN changes to the BMRA within 5 minutes of receipt. NGC custom and practice (which appears to align with Central Systems design) is to withhold this information until 15 minutes after the relevant Gate Closure period. This modification would change the BSC to align with NGC custom and practice. While we recognise the concerns raised by NGC we believe these are extreme examples and believe that as a general rule the more information that is made available to the market the more efficient and competitive that market will be. We are also concerned that this apparent information imbalance may distort energy markets given NGC's forward trading capability. We do not therefore support this proposed change.

P89_MR_009 – National Grid

As Proposer of P89 we have the following comments to make:

"We support the Draft Modification Report for P89. We agree that the proposed legal text will effect the Modification as intended.

One issue has been brought to light, namely that the drafting places an obligation on the Transmission Company to supply to the BMRA the "time of notification" of changes to MEL/MIL data received after Gate Closure. We wish to make it clear that, the file sent to the BMRA contains a time which relates to the time of notification to the BMRA, not the time of notification to the Transmission Company. This is in line with the BMRA & SAA Interface Specification.

However, P89 does not seek to address this ambiguity, nor has this been

introduced by P89, and for this reason we consider it appropriate to leave this wording within the new legal drafting."

If there are any queries, please call 024 7642 3967.

Regards
Richard Lavender

P89_MR_010 – AEP Energy (Late Response)

Thank you for the opportunity to comment on P89: Clarification of the Timescales for Submitting MEL/MIL Data to the BMRA. AEP Energy Services Limited is responding on behalf of the two AEP BSC participants. Our comments are as follows:-

We do not support the implementation of P89. We do not believe that the general argument used - that the BSC should be brought into line with current practice to better facilitate the applicable objectives - is justifiable. This argument fundamentally undermines the BSC as a contract between all BSC signatories and sets a dangerous precedent.

We are already concerned that as an active trader NGC receives information on MEL/MIL at least 15 minutes ahead of the rest of the market.

We understand that currently NGC fulfils its obligation to send MEL/MIL changes to the BMRA within 5 minutes within the gate closure window but does not fulfil this obligation outside of gate closure, where it notifies BMRA within 15 minutes. We understand that this is the case outside of gate closure because this information is sent by EDT which is only read every 15 minutes. However we do not believe that this is sufficient justification to erode BSC participants' rights by removing the requirement on NGC to notify BMRA within 5 minutes. We believe that NGC should update its systems.

The BSC was negotiated on the basis that we would be moving towards real time balancing. The implementation of 1 hour gate closure was part of this process. Allowing NGC not to update its systems to move towards this goal to better facilitate the applicable objectives does not seem to fit with this philosophy: allowing NGC to change the BSC to ensure it does not need to update its systems is actually working against this philosophy.

NGC believes that the requirement to notify within 5 minutes extends BMRA data beyond the BM window and hence beyond the scope of the BSC.. Our understanding is that the only data produced which goes "beyond the window" is via the margins, which are released on the BMRA reports. We would like a better explanation as to what information NGC believes is being released beyond the window and why this is a problem.

We would be happy to discuss these points further.

Regards
Megan Goss
AEP Energy Services Limited

ANNEX 2 – MODIFICATION PROPOSAL P89

Modification Proposal	MP No: 89 <i>(mandatory by BSCCo)</i>
Title of Modification Proposal <i>(mandatory by proposer):</i> Clarification Of The Timescales For Submitting MEL/MIL Data To The BMRA	
Submission Date <i>(mandatory by proposer):</i> 02/07/2002	
<p>Description of Proposed Modification <i>(mandatory by proposer):</i></p> <p>Currently any Maximum Export Limit/Maximum Import Limit (MEL/MIL) data received by National Grid that is applicable within the Balancing Mechanism (BM) window is passed to the Balancing Mechanism Reporting Agent (BMRA) within 5 minutes of receipt. For any MEL/MIL data received that is applicable in a trading period for which the gate has not yet closed, this data is retained and passed to the BMRA within 15 minutes of the relevant gate closing. This does not strictly comply with the timescales in the BSC which states that all MEL/MIL data should be transferred within 5 minutes (BSC section Q 6.1.10).</p> <p>As described below, we believe it is better to align the BSC with the existing practice than vice versa. Therefore we propose to change the BSC to align it with the existing systems by changing BSC section Q 6.1.10 to state that:</p> <ul style="list-style-type: none"> • MEL/MIL changes relating to a Settlement Period for which the gate has closed should be notified to the BMRA within 5 minutes, but • MEL/MIL changes relating to a Settlement Period for which the gate has not closed should be notified within 15 minutes of gate closure for the Settlement Period that the data refers to. 	
<p>Description of Issue or Defect that Modification Proposal Seeks to Address <i>(mandatory by proposer):</i></p> <p>MEL/MIL data is unusual, as there are two alternative routes for participants to notify changes to National Grid:</p> <ol style="list-style-type: none"> 1) via EDT (Electronic Data Transfer), or 2) via EDL (Electronic Dispatch Logging) <p>EDT is used for bulk transfer of data relevant for the trading period at or before Gate Closure whereas EDL can be used as an ad-hoc submission for changing dynamic data, or for changing MEL/MIL data within a trading period both pre and post Gate Closure.</p> <p>When changes to MEL/MIL are made via EDT, which could include data extending up to 5 days ahead, this data resides in a National Grid database until the Gate Closure for the relevant period where the data is applicable. A bulk transfer to the BMRA, called the Gate Closure Job, then takes place within 15 minutes following Gate Closure (other data in the transfer includes Physical Notifications and Bid - Offer Data).</p> <p>Any changes to MEL/MIL data submitted via EDL after Gate Closure are transferred to the BMRA within 5 minutes of receipt. Note: only updates to MEL/MIL data within the BM window will be sent. Any changes submitted via EDL before Gate Closure are used to update the National Grid database so that the Gate Closure Job sends the latest information to the BMRA within 15 minutes following the relevant Gate Closure.</p> <p>It should be noted that the existing NETA systems (both National Grid and Central systems) comply with the BMRA and SAA (Settlement Administration Agent) Interface Specification.</p> <p>Essentially there are two options, either line up all software systems with the BSC or maintain the status quo and align the BSC with the existing systems.</p> <p>Currently the BSC extends BMRA data to beyond the BM window and hence beyond the remit of the BSC.</p>	

Modification Proposal	MP No: 89 <i>(mandatory by BSCCo)</i>
<p>Consider an example where a generator has sufficient notice of a need to shutdown in the following day and notifies this intent to the System Operator via a MEL update. Under the BSC this information would be released to the market before the participant could trade out of its position. If this were to occur, we believe that Participants may delay sending information to the System Operator. In addition, there would be the consequential cost for the changes to be made to NETA central systems, which we understand would be significant.</p> <p>This issue was recently discussed at the ISG and no objections were received to our proposed way forward.</p> <p>Aligning the BSC with the existing systems will better meet applicable objectives (b) the efficient, economic and co-ordinated operation by the Transmission Company of the Transmission System; and (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.</p>	
<p>Impact on Code <i>(optional by proposer):</i> Changes to BSC section Q 6.1.10.</p>	
<p>Impact on Core Industry Documents <i>(optional by proposer):</i> None</p>	
<p>Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties <i>(optional by proposer):</i> None, proposing to align BSC with existing systems.</p>	
<p>Impact on other Configurable Items <i>(optional by proposer):</i> None</p>	
<p>Justification for Proposed Modification with Reference to Applicable BSC Objectives <i>(mandatory by proposer):</i> As described above, we believe that only sending to the BMRA MEL/MIL data relating to periods where the gate has closed will better facilitate the BSC applicable objectives (b) the efficient, economic and co-ordinated operation by the Transmission Company of the Transmission System; and (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.</p>	
<p>Details of Proposer:</p> <p style="padding-left: 40px;">Name: Deborah Cox</p> <p style="padding-left: 40px;">Organisation: National Grid</p> <p style="padding-left: 40px;">Telephone Number: 0118 936 3473</p> <p style="padding-left: 40px;">Email Address: deborah.cox@uk.ngrid.com</p>	

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Details of Proposer's Representative: Name: Richard Lavender Organisation: National Grid Telephone Number: 024 7642 3967 Email Address: richard.lavender@uk.ngrid.com	
Details of Representative's Alternate: Name: Clare Talbot Organisation: National Grid Telephone Number: 024 7642 3969 Email Address: clare.talbot@uk.ngrid.com	
Attachments: NO If Yes, Title and No. of Pages of Each Attachment:	