

**Stage 01: Initial Written Assessment**

What stage is this document in the process?

**01** Initial Written Assessment

**02** Definition Procedure

**03** Assessment Procedure

**04** Report Phase

# P260: Extension to data provided to the Transmission Company in the TUoS Report

The Transmission Company receives the TUoS Report from SVAA for use in its invoicing system. This modification proposes to amend the TUoS report to expand net grid supply point group information to provide gross demand and gross generation.



ELEXON recommends submit Modification P260 to the **Report Phase**



Minor Impact:  
BSC Annex V-1 and SVA systems

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## About this document:

This document is an Initial Written Assessment (IWA), which ELEXON will present to the Panel on 10 June 2010. The BSC Panel will consider the recommendations and agree if P260 should be progressed straight to the Report Phase with a Modification Report to be presented on July 2010 Panel Meeting.

Further information is available in the P260 Modification Proposal which can be found in Attachment A to this document.



### Any questions?

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# 1 Why Change?

## Background

The definition of transmission in Scotland leads to Generators with plants connected at 132kV being liable for **Transmission Network Use of System** (TNUoS) charges. Generating plants in England and Wales that are connected at 132kV are classed as embedded generation. These Generators therefore receive embedded generation benefits by being able to net their generation from the local demand. Their transmission charges and transmission charges for the local demand are therefore reduced or removed.

To compensate for this disparity in charging, 132kV generation connected in Scotland receive the small generator discount. The arrangements for this discount will be removed 31<sup>st</sup> March 2011.

The Transmission Company has a licence obligation (Standard Licence Condition C13) to implement enduring arrangements prior to that expiry date of the Scottish 132kV connected discount arrangements.

Proposals currently being progressed by the Transmission Company to develop an enduring arrangement would require a breakdown by Supplier Balancing Mechanism Unit (BMU) of their Half Hourly (HH) gross demand and generation at each **Grid Supply Point** (GSP). Hence, the data in its existing format would no longer be sufficient and the additional gross data outlined above will be required.



The **Transmission Network Use of System** charge published for the relevant year as set out in the statement provided for in Standard Licence Condition C4 of the Transmission Licence held by National Grid.



A **Grid Supply Point** is a Systems Connection Point at which the Transmission System is connected to a Distribution System.

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## 2 Solution

The Transmission Company receives the Transmission Use of System (TUoS) Report (file P0210 – Half Hourly (HH) / Non Half Hourly (NHH) split) from Supplier Volume Allocation Agent (SVAA) for use in its EVE (National Grid's in house charging software) invoicing system used in developing the indicative and actual transmission usage charges. Currently, within this TUoS report, the Period HH Allocated Volume data in the HHA Record Types (for Supplier BMUs) are provided on the basis of demand net of generation at specified grid supply point groups.

This Modification proposal seeks the following changes to the TUoS report:

- 1) Rename the 'Period BMU HH Allocated Volume' to 'Net Period BMU HH Allocated Volume';
- 2) Insert two columns next to the renamed column: 'Gross Period BMU HH Allocated Demand Volume' and 'Gross Period BMU HH Allocated Generation Volume'.

These changes are applicable to the HHA record. The table below shows the structure of the proposed TUoS report using a random BMU sample data:

Record Type	Sett Prd	End Time	<u>NET</u> HH Allocated Volume	<u>Gross HH Allocated Demand Volume</u>	<u>Gross HH Allocated Generation Volume</u>	NHH Allocated Volume
HHA	1	00:30	4.0352	<u>2.0000</u>	<u>2.0352</u>	95.0969
HHA	2	01:00	5.1674	<u>1.5679</u>	<u>3.5995</u>	89.7166
HHA	3	01:30	4.6250	<u>0</u>	<u>4.6250</u>	86.8399
HHA	4	02:00	4.7330	<u>2.1300</u>	<u>2.6000</u>	84.3064
HHA	5	02:30	3.7095	<u>1.6005</u>	<u>2.1090</u>	79.8298
.	.	.	.	.	.	.
HHA	48	00:00	6.0547	<u>2.1350</u>	<u>3.9197</u>	72.2652

TO2 record will not be changed.

Record Type	HH Allocated Volume	NHH Allocated Volume
TO2	745.2872	5442.5491

Provision of this additional data will allow the Transmission Company to undertake its duties regarding the development of charges on a more cost reflective basis. In addition, it would help to facilitate a review of the charging arrangements for embedded generators which, as a result of Standard Licence Condition C13 of the Transmission Licence, will need to conclude and be implemented by April 2011.

### 3 Why Direct to Report Phase?

#### Self evident change

The BSC Panel has the ability to progress a Modification straight to the Report Phase where the recommendation which the Panel should make to the Authority in relation to such Modification Proposal would generally be considered to be self evident (BSC paragraph F2.2.4).

We are recommending that this Modification proceeds directly to the Report Phase on this basis because:

- The TUoS report is only provided to the Transmission Company by the SVAA and hence this Modification Proposal would only have a direct impact on the Transmission Company and ELEXON;
- The only BSC impact would be on Table 7 of Annex V-1 which describes at high level what data is contained within the TUoS Report;
- There is no alternative way to provide the additional data requested by the Transmission Company; and
- This Modification would help the Transmission Company to facilitate a review of the charging arrangements for embedded generators which will need to be implemented by April 2011.

We therefore recommend that the Panel determines that this Modification should proceed directly to Report Phase pursuant to paragraph F2.2.3(b)(iii) of the Code.



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#### When can a change proceed directly to the Report Phase?

The Panel would usually proceed a change directly to the Report Phase where the Modification Proposal is of a minor or inconsequential nature and/or where the recommendation which the Panel should make to the Authority in relation to such Modification Proposal would generally be considered to be **self-evident**.

## 4 Applicable BSC Objectives



### Description of BSC Objectives

- a) Efficient discharge of the obligations of the Transmission Licence.
- b) Efficient, economic and co-ordinated operation of the national electricity transmission system.
- c) Promoting effective competition in the generation and supply of electricity and in the sale and purchase of electricity.
- d) Promoting efficiency in the implementation and administration of the balancing and settlement arrangements.

The Proposer believes Modification P260 would better facilitate the applicable BSC objectives by allowing the Transmission Company to efficiently discharge its obligations enabling it to better develop a cost reflective charging methodology.

The Proposed Modification would allow the Transmission Company to discharge obligations enshrined in Supplier Licence Condition (SLC) C13 (Transmission Company's licence obligation) by forming part of an enduring solution to the disparity in charging arrangements for different types of generation. This enduring solution would ensure that the embedded generators in Scotland will not be charged for TUoS as is the case with the embedded generators in E&W, therefore would promote effective competition in the generation and supply of electricity, better facilitate BSC Objective (c).

Through the provision of additional data items, P260 would promote efficiency in the implementation and administration of the balancing and settlement arrangements since it will better facilitate 'the determination and allocation to BSC parties of the quantities of electricity delivered to and taken off the total system'.

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## 5 Proposed Progression

If the Panel agrees to progress P260 straight to report phase, we will progress the Modification in line with the approach set out below.

### Timetable

Event	Date
IWA presented to Panel	10 June 2010
ELEXON issues Report Phase Consultation	11 June 2010
Consultation responses due	25 June 2010
Draft Modification Report presented to Panel	8 July 2010

### Costs

Estimated progression costs based on proposed timetable	
Meeting costs	£0
Non-ELEXON legal and expert costs	£0
<b>Indicative</b> implementation costs for Service Providers to implement this change	The combined costs of this change have been estimated to be £37k, which has been assessed as a standalone request for February 2011 release.
ELEXON progression costs	21 man days, equating to £4.5k
ELEXON implementation costs	28 man days, equating to £6.7k This cost is provided on the assumption that it forms part of the February 2011 release.

### Recommended Implementation Date

We recommend that P260 is implemented:

- as part of the February 2011 release<sup>1</sup> (24 February 2011) if a decision is made by the Authority by 27 August 2010<sup>2</sup>; or
- in the next available release.

For changes to the Service Software Documents (SSDs), we would request the BSC Service Provider to update the relevant documents following the Authority's approval of the modification. Since the SSD is not a priority, as the Code takes precedence and we would simply be amending it to mirror the Code.

<sup>1</sup> Transmission Company will need to comply with its Charging Methodology which will be implemented in April 2011.

<sup>2</sup> This is the cut-off date for the submission of changes for February 2011 release.

## 6 Likely Impacts

### Impact on BSC Systems and process

BSC System/Process	Potential impact
SVA system and process	To provide the additional disaggregated HH data

### Impact on Transmission Company

Provision of this additional data will allow the transmission company to undertake its duties regarding the development of charges on a more cost reflective basis. In addition, it would help to facilitate a review of the charging arrangements for embedded generators which, as a result of Standard Licence Condition C13 of the Transmission Licence, will need to conclude and be implemented by April 2011.

### Impact on ELEXON

Area of ELEXON's business	Potential impact
SVA	SVA systems

### Impact on Code

Code section	Potential impact
BSC Annex V-1	Amendments to Table 7 of Annex V-1 (please refer to Attachment B – Legal Text proposed)

### Impact on Code Subsidiary Documents

CSD	Potential impact
SVA Data Catalogue Volume 1	Addition of the Data Item Names to reflect the separation of 'demand' and 'generation' of the Period BMU HH Allocated Volume in Appendix B

### Impact on other Configurable Items

Configurable Item	Potential impact
ISRA Function Definition User Catalogue	Section 3.44.2 and Section 3.44.13 I/O Structures
ISRA Technical Spec Volume 1	Section 3.1.20
ISRA Technical Spec Volume 4	Section 9.6.14 Section 9.7
ISRA Operations Guide	Section B.28
ISRA System Management Guide	Section 6.1

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## 7 Recommendations



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### Proposer's Quote:

Provision of this additional data will allow the Transmission Company to comply with its Charging Methodology as to be implemented in April 2011.

On the basis of the initial written assessment, ELEXON invites the Panel to:

- DETERMINE that Modification Proposal P260 should be submitted directly to the Report Phase;
- AGREE a provisional recommendation that Proposed Modification P260 should be made;
- AGREE a provisional Implementation Date for Proposed Modification P260 of:
  - as part of the February 2011 release (24 February 2011) if a decision is made by the Authority by 27 August 2010 ; or
  - in the next available release
- AGREE the draft legal text for Proposed Modification P260; and
- AGREE that the P260 draft Modification Report should be issued for consultation and submitted to the Panel at its meeting on 8 July 2010.

## 8 Further Information

You can find more information in:

**Attachment A:** Modification Proposal Form

**Attachment B:** BSC Legal Text Proposed