

May 2003

**INITIAL ASSESSMENT OF  
MODIFICATION PROPOSAL P126 -  
HOUSEKEEPING MODIFICATION**

Prepared by ELEXON Limited

<b>Document Reference</b>	IWA_P126
<b>Version no.</b>	1.0
<b>Issue</b>	Final
<b>Date of Issue</b>	2 May 2003
<b>Reason for Issue</b>	ELEXON Review
<b>Author</b>	ELEXON

## I DOCUMENT CONTROL

### a Authorities

Version	Date	Author	Change Reference
0.1	29/04/03	Change Delivery	Initial Draft
1.0	02/05/03	Change Delivery	For Panel Decision

### b Distribution

Name	Organisation
Each BSC Party	Various
Each BSC Agent	Various
The Gas and Electricity Markets Authority	Ofgem
Each BSC Panel Member	Various
energywatch	energywatch
Core Industry Document Owners	Various

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## 1 SUMMARY

Modification Proposal P126 'Housekeeping Modification' (P126) was raised on 15 April 2003 by the BSC Panel, on the recommendation of ELEXON.

P126 identifies a number of minor inconsistencies, typographical errors and omissions identified in the BSC and represents a consolidation of the various 'housekeeping' changes required to rectify these defects. The specific changes are detailed in section 3 of this report.

Whilst drafting the legal text no issues were identified.

Because of the inconsequential nature of the changes to the Code that would result from the implementation of the Proposed Modification, the associated legal text has been prepared and is attached as Annex 2.

The Proposed Modification will have no impact on any BSC systems, processes or working practices.

The Panel is invited to:

- a) **NOTE the results of the Initial Written Assessment;**
- b) **DETERMINE that Modification Proposal P126 should be submitted to Report Phase in accordance with Section F2.7 of the Code;**
- c) **AGREE that the draft Modification Report be issued for consultation and submitted to the Panel on 12 June 2003; and**
- d) **AGREE that the draft Modification Report contain a provisional recommendation that P126 should be made with an Implementation Date of 15 Business Days after the Authority decision.**

## 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 Balancing and Settlement Code ('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 BSC website, at [www.elexon.co.uk](http://www.elexon.co.uk)

### 3 DESCRIPTION OF THE MODIFICATION PROPOSAL

The following table describes the various housekeeping changes that have been consolidated to form this Proposed Modification. Note that as a result of the initial assessment two changes have been made to this table compared with the table presented in Appendix 1 of the Modification Proposal. Firstly item 1 in the table has been amended to reflect that a Modification Proposal is not required where the change only relates to the font being changed. Secondly, additional wording has been added to item 5 to clarify the requirement and background relating to the change.

Ref.	Identified by	Section(s)/ Area(s) Affected	Type of Change	Requirement
1.	ELEXON	Section S Annex S-2	Inconsistency	Section S, pages S2-62 and S2-63 of the printed version and pdf available on the website are in a different format to the rest of the code as a different font has been used. (A Modification is not strictly required, however it has been included for clarity.)
2.	ELEXON	Section L1.3.1 Section Annex X-1	Typographical error	The word "Designated" used in the definition in Annex X-1 and text in Section L1.3.1 should be replaced with the word "Domestic", leaving the rest of the definition and context un-altered. This is bringing the Code in line with the new standard licence that came in under the Utilities Act 2000.
3.	ELEXON	Section K3.2.3	Typographical error	Currently Section K3.2.3 (b) reads: K3.2.3 (b) the date with effective from which the applicant wishes the registration to be effective  It should read: K3.2.3(b)the date from which the applicant wishes the registration to be effective
4.	ELEXON	Section Annex X-1	Erroneous cross-reference	In Section Annex X-1, within the definition of "Core Industry Document Owner", it refers to Section F1.6.4 for the meaning of this.  The relevant definition is actually in Section F1.6.3.
5.	ELEXON	Section V, Annex V-1, Table 1	Omission	Section V, Annex V-1, Table 1 sets out the items for BMRS publishing but the P78 legal drafting has omitted to add 'Indicative Net Imbalance Volume' (INIV). (Note that INIV was included in Section V paragraph 2.6.5 as part of the legal code for P78 and by virtue of this and Section V paragraph 2.1.2 (b), the requirement to publish the data on the BMRS was approved as part of P78.)
6.	ELEXON	Section M3.3.2	Omission	Section M3.3.1(b) refers to posting a Level 2 Credit Default statement on the BMRS or the BSC Website, whereas Section M3.3.2, which provides for its cancellation, refers only to the BMRS and should include the BSC Website.

7.	ELEXON	Section T4.10.2	Typographical error	<p>Unnecessary duplication of "and" has been used in Section T4.10.2</p> <p>Current wording highlighted below:</p> <p>where <math>\Sigma^+ i</math> is, for each Energy Account a in Settlement Period j, the sum over all BM Units i that are in delivering Trading Units, and</p> <p><u>and</u> <math>\Sigma^- i</math> is, for each Energy Account a in Settlement Period j, the sum over all BM Units i that are in offtaking Trading Units, and</p> <p><u>and</u> <math>\Sigma_a</math> represents the sum over all Energy Accounts a, other than the TC (Non-IEA) Energy Accounts held by the Transmission Company.</p>
8.	ELEXON	Section T4.10.2	Typographical error	Section T4.10.2 refers to QCE <sub>aij</sub> this should read QCE <sub>aj</sub>
9.	ELEXON	Section N6.1.3 (b)(v)	Typographical error	Remove "and" from the end of Section N6.1.3 (b) (v) due to unnecessary duplication.

A copy of the Modification Proposal, as submitted, can be found in annex 1 of this report.

#### **4 IMPACT ON BSC SYSTEMS AND PROCESSES**

None

#### **5 IMPACT ON OTHER SYSTEMS AND PROCESSES USED BY PARTIES**

None

#### **6 IMPACT ON DOCUMENTATION**

##### **6.1 Impact on Balancing and Settlement Code**

See proposed changes in section 3 above and legal text changes in annex 2 noting the points relating to ref. 1 and 5 in the table in section 3. (See section 12 below)

##### **6.2 Impact on Code Subsidiary Documents**

No impact has been identified on any of the Code Subsidiary Documents.

##### **6.3 Impact on Core Industry Documents**

No impact has been identified on any of the Core Industry Documents.

#### **7 IMPACT ON OTHER CONFIGURABLE ITEMS**

No impact has been identified.

#### **8 IMPACT ON ELEXON**

No impact has been identified on any of the ELEXON systems or processes.

#### **9 IMPACT ON FINANCIAL ARRANGEMENTS AND BUDGET**

No impact has been identified.

#### **10 IMPACT ON BSC AGENT CONTRACTUAL ARRANGEMENTS**

No impact has been identified.

#### **11 PROCESS AND TIMETABLE FOR PROGRESSING THE PROPOSAL**

ELEXON recommends that this Modification Proposal proceeds directly to Report Phase with the recommendation that the change be made with an Implementation Date of 15 Business Days after the Authority's decision.

## 12 ISSUES

Two issues identified during the Initial Written Assessment phase. Firstly, the inconsistency of the use of fonts in Section S Annex S-2 does not strictly require a Modification Proposal. This has been included in the Housekeeping Modification for clarity.

Secondly Section V, Annex V-1, Table 1 is proposing to add 'Indicative Net Imbalance Volume' (INIV) into the table of items to be published by the BMRS. It was pointed out that any addition to such data requires Panel approval beforehand (see Section V4.3.1). However it was subsequently noted that that INIV was included in Section V paragraph 2.6.5 as part of the legal code for P78 and by virtue of this and Section V paragraph 2.1.2 (b), the requirement to publish the data on the BMRS was approved as part of P78



## ANNEX 1 – MODIFICATION PROPOSAL

<b>Modification Proposal</b>	<b>MP No: 126</b> <i>(mandatory by BSCCo)</i>
<b>Title of Modification Proposal</b> <i>(mandatory by proposer):</i> Housekeeping Modification	
<b>Submission Date</b> <i>(mandatory by proposer):</i> 15 April 2003	
<b>Description of Proposed Modification</b> <i>(mandatory by proposer):</i> To rectify minor inconsistencies, typographical errors and omissions within the BSC.	
<b>Description of Issue or Defect that Modification Proposal Seeks to Address</b> <i>(mandatory by proposer):</i> See Appendix 1	
<b>Impact on Code</b> <i>(optional by proposer):</i> See Appendix 1	
<b>Impact on Core Industry Documents</b> <i>(optional by proposer):</i> None	
<b>Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties</b> <i>(optional by proposer):</i> None	
<b>Impact on other Configurable Items</b> <i>(optional by proposer):</i> None	
<b>Justification for Proposed Modification with Reference to Applicable BSC Objectives</b> <i>(mandatory by proposer):</i> The BSC Panel can raise a Modification Proposal to address the many minor inconsistencies, manifest errors or consequential changes in accordance with Section F2.1.1(d)(iv) of the Code. The Applicable Objective is in condition &A(3)(d) of the Transmission Licence to promote efficiency in the implementation and administration of the balancing and settlement arrangements.	
<b>Details of Proposer:</b> <b>Name:</b> <b>Organisation:</b> BSC Panel <b>Telephone Number:</b> <b>Email Address:</b>	

<b>Modification Proposal</b>	<b>MP No: 126</b> <i>(mandatory by BSCCo)</i>
<b>Details of Proposer's Representative:</b> <b>Name:</b> Modification Secretary <b>Organisation:</b> ELEXON <b>Telephone Number:</b> 0207 380 4100 <b>Email Address:</b> chris.rowell@elexon.co.uk	
<b>Details of Representative's Alternate:</b> <b>Name:</b> <b>Organisation:</b> <b>Telephone Number:</b> <b>Email Address:</b>	
<b>Attachments: YES</b> <b>If Yes, Title and No. of Pages of Each Attachment:</b> Log of Proposals – 2 pages	

## Modification Proposal - Appendix 1 – Log of Proposals

Ref.	Identified by	Section(s)/ Area(s) Affected	Type of Change	Requirement
1.	ELEXON	S Annex-2	Inconsistency	Section S, pages S2-62 and S2-63 of the printed version and pdf available on the website are in a different format to the rest of the code as a different font has been used.
2.	ELEXON	L1.3.1 X1-13	Typographical Error	The word "Designated" used in the definition in Section X1-13 and text in Section L1.3.1 should be replaced with the word "Domestic", leaving the rest of the definition and context un-altered. This is bringing the Code in line with the new standard licence that came in under the Utilities Act 2000.
3.	ELEXON	K3.2.3	Typographical Error	Currently K3.2.3 (b) reads: K3.2.3 (b) the date with effective from which the applicant wishes the registration to be effective  It should read: K3.2.3(b)the date from which the applicant wishes the registration to be effective
4.	ELEXON	X Annex-1	Erroneous cross-reference	In Section Annex X-1, within the definition of "Core Industry Document Owner", it refers to section F1.6.4 for the meaning of this.  The relevant definition is actually in F1.6.3.
5.	ELEXON	V Table V-1	Omission	Section V Table V-1 sets out the items for BMRS publishing but the P78 legal drafting has omitted to add 'Indicative Net Imbalance Volume'.
6.	ELEXON	M3.3.1(b) and M3.3.2	Omission	M3.3.1(b) refers to posting a Level 2 Credit Default statement on the BMRS or the BSC Website, whereas M3.3.2, which provides for its cancellation, refers only to the BMRS and should include the BSC Website.
7.	ELEXON	T4.10.2	Typographical Error	Unnecessary duplication of "and" has been used in paragraph T4.10.2  Current wording highlighted below:  where $\Sigma^+_j$ is, for each Energy Account a in Settlement Period j, the sum over all BM

				<p>Units <math>i</math> that are in delivering Trading Units, and</p> <p><u>and</u> <math>\Sigma_i</math> is, for each Energy Account <math>a</math> in Settlement Period <math>j</math>, the sum over all BM Units <math>i</math> that are in offtaking Trading Units, and</p> <p><u>and</u> <math>\Sigma_a</math> represents the sum over all Energy Accounts <math>a</math>, other than the TC (Non-IEA) Energy Accounts held by the Transmission Company.</p>
8.	ELEXON	T4.10.2	Typographical Error	Paragraph 4.10.2 refers to $QCE_{aij}$ this should read $QCE_{iaj}$
9.	ELEXON	N6.1.3 (b) (v)	Typographical Error	Remove "and" from the end of Section N 6.1.3 (b) (v) due to unnecessary duplication.

## **ANNEX 2 – LEGAL TEXT**

See separate document.