

Modification Proposal

MP No: 116
(mandatory by BSCCo)

Title of Modification Proposal (mandatory by proposer):

Changes to Allow Line Loss Factor Data from BSC Website to be Used in Settlement

Submission Date (mandatory by proposer): 6th January 2003

Description of Proposed Modification (mandatory by proposer):

Since the P30 Alternative Modification was implemented on 27th March 2002, Line Loss Factor (LLF) data for SVA Metering Systems has been available on the BSC Website. The intent of the P30 Modification Group was that this would allow LLF data from the BSC Website to be used in settlement (subject to approval of an appropriate Change Proposal). This is stated explicitly in the P30 Modification Report:

“The Modification Group concluded that placing the LLF data on the ELEXON Website in the same format as found in file D0265 could enable a Change Proposal to be raised that would enable Suppliers/SVAA/ISRA/HHDA to download the relevant information from the Website. This would negate the need for Distribution Businesses to send the information along the DTN.”

Unfortunately, subsequent analysis has revealed that a Change Proposal of the kind envisaged by the P30 Modification Group would be inconsistent with Section S and Annex S-2 of the BSC, which oblige Half Hourly Data Aggregators (HHDA) to use LLF data “provided by Distribution System Operators” (and therefore preclude the use of LLF data downloaded from the BSC Website).

The purpose of this Modification Proposal is to remove this arbitrary and unnecessary restriction, allowing Distribution System Operators and HHDA to choose the most appropriate technical mechanism for distributing LLF data. In particular, it is proposed to:

- Amend the BSC to allow LLF data from the BSC Website to be used by HHDA.
- Amend BSCP528 ('SVA Line Loss Factors for Half Hourly and Non-Half Hourly Metering Systems Registered in SMRS') to remove the obligation on DSO to publish LLF via a D0265 data flow.

Description of Issue or Defect that Modification Proposal Seeks to Address (mandatory by proposer):

Following implementation of Modification Proposal P30, Line Loss Factor data is available on demand via the BSC Website. However, the BSC prevents data from this source being used in settlement. This arbitrary restriction of processes used by Half Hourly Data Aggregators to obtain and load Line Loss Factor data into their systems (and may also impose unnecessary costs on Distribution System Operators). The most likely intention of the BSC was to indicate that the source of the LLFs is the DSO, rather than to dictate the method of dissemination, but the current wording of the document frustrates a significant improvement in efficiency.

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Impact on Code *(optional by proposer):*

The following sections of the BSC currently oblige HHDA to use data “provided by” Distribution System Operators. It is proposed to relax this to allow them to use data provided directly by the Distribution System Operator, or retrieved via the BSC Website:

- Section S2.4.1(e)
- Annex S-2 section 3.4.1(d)

Changes may also be required to section 5.1.3 of Annex S-2, which refers to the receipt of LLF data by the Supplier Volume Allocation Agent.

Impact on Core Industry Documents *(optional by proposer):*

No impact anticipated.

Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties *(optional by proposer):*

The change will potentially impact recipients of LLF data (i.e. Suppliers, HHDA and SVAA), who may need to receive LLF data from the BSC Website rather than the DSO (if the DSO has decided to discontinue sending D0265 files to market participants).

The change will potentially increase the volume of data downloaded from the BSC Website.

Impact on other Configurable Items *(optional by proposer):*

As noted above, it is proposed to amend BSCP528 ('SVA Line Loss Factors for Half Hourly and Non-Half Hourly Metering Systems Registered in SMRS') to remove the obligation on DSO to publish LLF via a D0265 data flow. This will give DSO the option of relying on the BSC Website to distribute Line Loss Factor data to market participants.

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Justification for Proposed Modification with Reference to Applicable BSC Objectives (mandatory by proposer):

This Modification Proposal will remove an unnecessary barrier to players entering the BSC, in that they will be able to avoid the costs of systems to cope with the very large data flows associated with the current method of LLF distribution. This will be especially beneficial to those small players that wish to trade only in a small number of DSO areas, as they will be able to select the LLF data they download. This will promote effective competition in the generation and supply of electricity.

This Modification Proposal will remove an unnecessary constraint on the business processes operated by HHDA. This will potentially allow HHDA to offer more efficient services to Suppliers, and allow Suppliers who appoint more efficient agents to offer more competitive services to customers. As such it will promote effective competition in the supply of electricity (i.e. the Applicable BSC Objective laid out in paragraph 3(c) of Condition C3 of the Transmission Licence).

This Modification Proposal also has the potential to reduce unnecessary costs incurred by Distribution System Operators, and to significantly reduce data flows on the DTN. To the extent that this reduces Distribution Use of System (DUoS) charges and therefore reduces entry costs for Suppliers, this may also facilitate effective competition in the supply of electricity. This is likely to be a particularly material issue in the case of newly-licensed Distributors (as envisaged under Modification Proposal P62), who may have a relatively small number of metering systems on their network (at least initially).

This modification, if followed up by an appropriate change proposal making the BSC Website the recognised source of SVA LLFs, will ensure all market participants use a single source of LLFs. This will promote symmetry and accuracy of information, prevent the distribution of unwanted information, and help ensure the integrity of SVA. It will therefore promote effective competition in the generation and supply of electricity.

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Attachments: NO

If Yes, Title and No. of Pages of Each Attachment: