

Change Proposal – BSCP40/02	CP No: 1277 <i>Version No: 1.0 (mandatory by BSCCo)</i>
Title (<i>mandatory by originator</i>) Change to UMS Charge code Approval Process	
Description of Problem/Issue (<i>mandatory by originator</i>)	
<p>BSCP520 ‘Unmetered Supplies Registered in SMRS’ currently mandates that applications for new Unmetered Supply (UMS) charge codes and switching regimes must be approved by the Supplier Volume Allocation Group (SVG) following a recommendation by the Unmetered Supplies User Group (UMSUG), which meets quarterly. Along with this, the charge code/switching regime must also go through the Market Domain Data (MDD) process which can take up to a month. The impact of this protracted approval process is that approval of a new charge code/switching regime can take up to 4 months.</p> <p>To mitigate this, ELEXON can issue a temporary charge code/switching regime while the permanent code goes through the approval process. It could be argued that the accuracy of Settlement is adversely affected by the risk that equipment which may not be suitable for an Unmetered Supply could be connected to a Distribution Network and issued a temporary code. Shortening the approval process would decrease the impact of this risk. This also creates the possibility for an extra charge code and/switching regime for each application (an initial temporary code and then a different permanent code) and increases the administration and complexity of the process.</p> <p>The length of time involved in obtaining a charge code/switching regime may also be seen by some UMS manufacturers as cumbersome and prohibitive. This may result in unapproved equipment being connected to a Network yet not accounted for in Settlement. It could also be perceived that the UMSUG is an unnecessary overhead in the approval process.</p>	
Proposed Solution (<i>mandatory by originator</i>)	
<p>CP1277 seeks to incorporate the UMS process for the approval of new switching regimes and/or charge codes within the scope of MDD. Charge codes and switching regimes will be constructed by ELEXON (in consultation with industry experts where appropriate). The MDD Change process (as detailed in BSCP509 ‘Changes to Market Domain Data’) will be used more as a means for informing/consulting with the industry on the changes and seeking feedback on impacts. This will include an Impact Assessment which goes out to the industry <i>including</i> Distributors, as they are the parties most affected by Unmetered equipment. The final stage is approval by the SVG (already part of the BSCP509 process).</p> <p>The new process means that charge codes and switching regimes can be constructed within ELEXON and passed into the MDD process prior to SVG approval, reducing the total time for approval to just over a month (depending on the MDD timetable).</p> <p>The proposed change would require amendment to BSCP520, the UMS Operational Information Document (OID) and the UMSUG Terms of Reference. UMS Guidance Notes would also need to be updated accordingly.</p> <p>It is anticipated that the impact on the OID would be minor. The required changes are envisaged to consist of the following amendments to OID v6.0 Section 5.1, ‘Apparatus Tests’:</p> <p style="padding-left: 40px;"><i>The User Group The Balancing and Settlement Code Company (BSCCo) will consider the test results in recommending an appropriate charge code for inclusion in BSCP520 approval, in accordance with BSCP520. However, the Chairman may, at their discretion, issue a Temporary Code prior to the recommendation by the Group.</i></p> <p>UMS related documents, including the UMS OID, can be found on the ELEXON Unmetered Supplies web page.</p>	

In addition to the main aim of this CP, minor changes would be made to the ‘Approval of Equivalent Meter’ process in BSCP520. These changes would clarify the process, primarily the fact that the UMSUG makes a **recommendation** on the application only, not a decision (the Panel makes the final decision).

Justification for Change (*mandatory by originator*)

The advantage of this proposal is two-fold:

1. A streamlined process for the quicker approval of charge codes and switching regimes, decreasing the need for using temporary codes.
2. Reduced complexity in both the approval and UMS processes in general as charge code and switching regime approvals will be easier to manage, both for ELEXON and industry participants.

Due to the reduced use of temporary codes and faster approval of actual charge codes and switching regimes this change will deliver increased accuracy in settlement.

To which section of the Code does the CP relate, and does the CP facilitate the current provisions of the Code? (*mandatory by originator*)

The CP facilitates more efficient operation of BSC Section S and introduces no additional Code obligations.

Estimated Implementation Costs (*mandatory by BSCCo*)

Estimated ELEXON implementation cost - £1320 (6 Man Days implementation effort, which includes drafting changes to the UMSUG Terms of Reference and UMS Guidance Notes).

Configurable Items Affected by Proposed Solution(s) (*mandatory by originator*)

BSCP520 ‘Unmetered Supplies Registered in SMRS’ (redlined changes attached).

(The UMSUG Terms of Reference and UMSUG OID will also require amendment, and UMS Guidance Notes will be updated – no redlining for these documents is supplied with this CP as they are not Category 1 Configurable Items)

Impact on Core Industry Documents or System Operator-Transmission Owner Code (*mandatory by originator*)

None.

Related Changes and/or Projects (*mandatory by BSCCo*)

None.

(The Meter Administrator Expert Group is assessing charge code obligations in BSCP520 and may propose changes in this area in future)

Requested Implementation Date (*mandatory by originator*)

June 2009 Release.

Reason:

The proposed change requires no system changes and will result in the more efficient operation of the UMS arrangements.

Version History (*mandatory by BSCLCo*)

Version 1.0 for impact assessment.

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Attachments: Y

Attachment A BSCP520v14.1 redlined v0.3 (6 pages)