Change Proposal - F40/01

CP No: 1120

Version No: 1.0

Title (mandatory by originator) Amendment of the Trading Query Deadline for SVA Half Hourly Trading Queries

Description of Problem/Issue (mandatory by originator)

Under the current drafting of BSCP11, 'Trading Queries and Disputes', the Query Deadline for SVA Half Hourly (HH) Trading Queries is defined as 'the 20th Working Day following the carrying out of the First Reconciliation Run or the 20th Working Day following the Timetabled Reconciliation Settlement Run in which the Settlement Error first occurred'.

An industry working group was held at the request of the Trading Disputes Committee (TDC) where it was identified that since the implementation of Modification Proposal P131, Parties have adopted the practice of raising "precautionary" Trading Queries within the R1 plus 20 working day (WD) deadline in order to mitigate against errors remaining uncorrected at Final Reconciliation (RF) which have missed the Query Deadline.

However, the view of the working group was that a significant proportion of these Trading Queries would be capable of resolution by Suppliers and their Agents outside of the Trading Query process prior to RF. The view of the working group was that the Query Deadline for SVA HH Trading Queries is too tight.

Proposed Solution(s) (mandatory by originator)

Given the view of the industry working group that many HH SVA Trading Queries can be resolved by Suppliers and their Agents prior to the Second Reconciliation (R2) Run, it is proposed that the Query Deadline for SVA HH Trading Queries should be extended from R1 + 20 WD to R2 + 20WD.

Justification for Change (mandatory by originator)

It has been estimated that only a small proportion (less than 10%) of "precautionary" Trading Queries would remain uncorrected at RF. The majority of "precautionary" Trading Queries could be corrected by Suppliers and their Agents through the normal Settlement process, with many being resolved prior to R2.

Therefore, if the SVA HH Trading Query deadline was extended to R2 + 20 WD, there would be time for errors to be resolved by Suppliers and their Agents prior to R2, and a consequential drop in the number of issues raised as "precautionary" Trading Queries.

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