Stage 03: Assessment Procedure Consultation

P299 'Allow National Grid access to Metering System Metered Consumption data to support DSBR service'

What stage is this document in the process?

01 Initial Written Assessment

02 Definition Procedure

03 Assessment Procedure

04 Report Phase

This Modification proposes changes to allow the Transmission Company to gain access to Suppliers' Metering System Metered Consumption data, which is provided by Half Hourly Data Collectors to Half Hourly Data Aggregators.

This data is required to support the validation of submitted tender data and to process the settlement of payments for the delivery of the new Demand Side Balancing Reserve service.

This Assessment Procedure Consultation for P299 closes:

5pm on **Friday 14 March 2014**

The Workgroup may not be able to consider late responses.

The Workgroup initially recommends **approval** of P299

Medium Impact:

- Half Hourly Data Collectors

Low Impact:

- Suppliers'
- ELEXON

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Contents

About This Document

The purpose of this P299 Assessment Procedure Consultation is to invite BSC Parties and other interested parties to provide their views on the impacts and merits of P299. The P299 Workgroup will then discuss the consultation responses, before making a recommendation to the BSC Panel at its meeting on 10 April 2014 on whether or not to approve P299.

There are three parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, benefits/drawbacks and proposed implementation approach. It also summarises the Workgroup's key views on the areas set by the Panel in its Terms of Reference, and contains details of the Workgroup's membership and full Terms of Reference.
- Attachment A contains the draft redlined changes to the BSC for P299.
- Attachment B contains the draft redlined changes to BSCP502 for P299.
- Attachment C contains the specific questions on which the Workgroup seeks your views. Please use this form to provide your response to these questions, and to record any further views or comments you wish the Workgroup to consider.

Any questions?

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1 Summary

Why Change?

The new Demand Side Balancing Reserve service will be used to support the Transmission Company in balancing the system if capacity margins tighten during the next few years.

In order to validate tendering data submitted by potential DSBR service providers and support the settlement of payments for the delivery of the DSBR service, the Transmission Company requires access to Metering System Metered Consumption data for sites offering the service.

Solution

P299 proposes changes to allow the Transmission Company to gain access to Suppliers' Metering System Metered Consumption data. This data is required to support the validation of submitted tender data and to process the settlement of payments for the delivery of the new DSBR service.

Impacts & Costs

It is anticipated that P299 will directly impact **HHDCs**, with potential indirect impacts on **Suppliers**.

The estimated central implementation cost of P299 equates to £240 (or one ELEXON man day).

Implementation

P299 is proposed for implementation on:

- **26 June 2014** if an Authority decision is received on or before the 12 June 2014; or
- **10 Working Days** following the Authority's decision if it is received after the 12 June 2014.

Recommendation

The Workgroup initially unanimously believes that P299 better facilitates Applicable BSC Objective (b), and therefore initially unanimously recommends that P299 is approved.

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2 Why Change?

What is Demand Side Balancing Reserve?

Within the role of System Operator, the Transmission Company (National Grid) is required to co-ordinate and direct the flow of electricity onto and over the Transmission System in an efficient, economic and co-ordinated manner. As part of this role, the Transmission Company procures and uses balancing services from Transmission System users, and other third parties, in accordance with the requirements set out in Standard Licence Condition (SLC) 16 'Procurement and use of balancing systems' of the Transmission Licence.

The Transmission Company is introducing a new balancing service known as the Demand Side Balancing Reserve (DSBR)[1]. DSBR is aimed at non-domestic consumers with the ability to reduce Half Hourly (HH) metered demand at times of peak demand. It is unlikely that DSBR will be used frequently; however, in the unlikely event that there is insufficient plant availability to meet demand, consumers that have signed up to the scheme may be asked to reduce demand in return for payment. There would be no obligation to respond or penalties for not responding; the scheme relies on payments for delivery as an incentive to deliver.

It is expected that direct HH end users or intermediaries (including, but not limited to, Suppliers and existing balancing service aggregators[2]) will offer volumes for the DSBR service at a Metering System Identification Number (MSID[3]) level for sites that could reduce demand or increase generation at times of system stress.

On 19 December 2013 Ofgem announced its decision to approve the Transmission Company's application to introduce DSBR[4]. Ofgem's previous analysis indicated that the GB energy industry faces an unprecedented challenge to secure supplies and that DSBR will provide the Transmission Company with an additional tool to help balance the system in anticipation of tighter capacity margins.

What is Metering System Metered Consumption data?

Suppliers' Metering System Metered Consumption ($SMMC_{ZaKj}$) data is the HH metered consumption of a Supplier Volume Allocation (SVA) Metering System, as set out in BSC Section S Annex S-2, paragraph 3.5.3. This data is determined by Half Hourly Data Collectors (HHDCs) and provided to relevant Half Hourly Data Aggregators (HHDAs) for aggregation[5] (a process which includes the application of distribution line losses). This data is then sent by HHDAs to the Supplier Volume Allocation Agent (SVAA) for Settlement.

What is the issue?

DSBR will be used to support the Transmission Company in balancing the system if capacity margins tighten during the next few years.

[1] http://www.nationalgrid.com/NR/rdonlyres/3F8C2A41-F3D7-4847-9CC2-1788F4ADD16D/63265/DSBRReportFinal181113.pdf

[2] These are agents used by the Transmission Company for balancing services like the Short Term Operating Reserve (STOR).

[3] MSID is a defined BSC term which is commonly referred to as the Metering Point Administration Number (MPAN).

[4] https://www.ofgem.gov.uk/publications-and-updates/national-grid%E2%80%99s-proposed-new-balancing-services-decision-letter

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In order to validate tendering data submitted by potential DSBR service providers and support settlement of payments for the delivery of the DSBR service, the Transmission Company requires access to the Metering System Metered Consumption data at sites that tender for and are accepted to provide the service.

Currently, BSC Section L, paragraph 5.2.4 allows the Transmission Company to have access to 'relevant metering data' which, for SVA Metering Systems, is defined as being the metering data specified in BSCP508 'Supplier Volume Allocation Agent' and BSCP520 'Unmetered Suppliers registered in SMRS'. When considering the spirit of the BSC, 'relevant metering data' could include Metering System Metered Consumption data. However the wording is not completely clear therefore, to avoid ambiguity, it would be of value to amend BSC Section L 'Metering' to include the use of this data in circumstances such as these.

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3 Solution

Proposed solution

P299 proposes changes to allow the Transmission Company to gain access to Suppliers' Metering System Metered Consumption ($SMMC_{ZaKj}$) data. This data is required to support the validation of submitted tender[6] data and to process the settlement of payments for the delivery of the new DSBR service.

This Modification proposes that ad-hoc reports, requested by the Transmission Company from HHDCs, will contain the following disaggregated data as a minimum:

- for each MSID where the DSBR service is tendered, HH consumption data for the Settlement Periods between 4pm and 8pm on non-Bank Holiday weekdays during the previous Winter period. This is required for validation purposes in order to ensure that what is being offered within the tenders is consistent with consumption during peak periods; and
- for each MSID where the DSBR service is called or tested, HH consumption data for the Settlement Periods between 4pm and 8pm on the days when the service is called, plus data for a selection of 10 previous days, as nominated by the Transmission Company, to calculate the baseline in order to support settlement of payments for delivery of the service.

Such data may need to be shared with intermediaries involved in the procurement of DSBR (i.e. Suppliers or balancing service aggregators) for the purposes of validation and settlement of potentially thousands of MSIDs.

Processes and timescales

As noted above, this Modification proposes that HHDCs submit ad-hoc reports to the Transmission Company, both for the validation of submitted tender data and to process the settlement of payments for the DSBR service.

If P299 is approved, the process and timescales associated with the DSBR tender process (i.e. the request for historic data) will be as follows:

- P299 is approved by the Authority;
- 4 Weeks duration - The **Transmission Company** initiates and conducts the DSBR tender process;
- 1 Week duration - The **Transmission Company** processes submitted tender requests to determine the relevant MSID data required from HHDCs. The Transmission Company will follow up any discrepancies with tenderers if required;
- The **Transmission Company** requests the required historic MSID data from HHDCs for each tendered MSID. The Transmission Company is proposing to send all MSIDs to each HHDC;
- 5 Working Days – **HHDCs** will have 5 working days to collate and send the required data to the Transmission Company. HHDCs will only have to send information for the MSIDs they hold information on;

[6] Further information about the tendering process can be found in Section 2 of the Transmission Company's Supporting Report to the Authority.

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- The **Transmission Company** will review this data and follow up with relevant HHDCs if required.
    - 5 Working Days - If follow up requests are required, **HHDCs** will have a further 5 Working Days (for each follow up request) to provide additional data or information.

If P299 is approved, the process and timescales associated with a DSBR event, as well as any 'post DSBR event' or testing data requests, will be as follows:

- Prior to a DSBR event – the **Transmission Company** will post a System Warning message on the BMRS to inform the industry;
- 13 Settlement Days following a DSBR event – the **Transmission Company** will request MSID data from HHDCs for sites requested to reduce consumption during the DSBR event, plus data for a selection of 10 other dates;
- 5 Working Days – the **HHDC** will collate and send the data for each effected site for the dates and times specified by the Transmission Company in its request;
- The **Transmission Company** will review this data and follow up with relevant HHDCs if required.
    - 5 Working Days - If follow up requests are required, **HHDCs** will have a further 5 Working Days (for each follow up request) to provide additional data or information.

Further detailed information on the processes and timescales listed above can be found in the draft BSCP502 redlining in Attachment B.

Proposed data format

The data required under P299, which will be submitted by relevant HHDCs to the Transmission Company, will need to be in a similar format to data that is currently required in the Data Transfer Catalogue (DTC) flow D0036 'Validated Half Hourly Advances for inclusion in Aggregated Supplier Matrix'. BSC Section S Annex S-2 refers to this flow as the Suppliers' Metering System Metered Consumption report.

Further information about the expected format and content of the data that needs to be provided to the Transmission Company can be found in Appendix 1.

Assessment Consultation Question
Do you agree with the proposed format and content of the data submitted by HHDCs to the Transmission Company? *If not, please provide rationale around any alternative formats or additional content.*
The Workgroup invites you to give your views using the response form in Attachment C

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4 Impacts & Costs

Estimated central implementation costs of P299

The estimated ELEXON effort to implement P299 equates to £240 (or one man day). The ELEXON effort required is to update the relevant documents impacted by the P299 solution and to oversee its implementation.

Potential industry costs of P299

It is anticipated that there may be industry costs associated with P299, as the proposed solution will require HHDCs to generate ad-hoc reports, which will need to be sent to the Transmission Company to support the operation of the DSBR service.

Assessment Consultation Question
Will P299 impact your organisation?
The Workgroup invites you to give your views using the response form in Attachment C

Assessment Consultation Question
Will your organisation incur any costs in implementing P299?
The Workgroup invites you to give your views using the response form in Attachment C

P299 impacts

Impact on Party Agents
It is anticipated that P299 will impact **HHDCs** as it will require HHDCs to generate additional ad-hoc reports to send to the Transmission Company.

Impact on BSC Parties
It is also expected that some **Suppliers** will be indirectly impacted due to: • the time and resource required for HHDCs to produce these ad-hoc reports; and • potential changes to Suppliers' position at Gate Closure (as a result of DSBR).

Impact on Transmission Company
There will be no direct impact on the Transmission Company. However, P299 will allow the Transmission Company and its agents to use Suppliers' Metering System Metered Consumption data to validate submitted tender data and to process the settlement payments for the delivery of the new DSBR service.

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Impact on Code	
Code Section	Potential Impact
Section L	Changes will be required to implement the solution.

Impact on Code Subsidiary Documents	
CSD	Potential Impact
BSCP502	Changes will be required to implement the solution.

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5 Implementation

Recommended Implementation Date

The Workgroup recommends an Implementation Date for P299 of:

- **26 June 2014** if the Authority's decision is received on or before 12 June 2014; or
- **10 Working Days** following the Authority's decision if it is received after 12 June 2014.

The Transmission Company aims to begin tendering for the DSBR service in late July/early August 2014 for the November 2014 to February 2015 winter period. Therefore, the proposed implementation date for P299 is driven by the starting point for the DSBR tendering process.

Similarly, the start of this tendering process relies on the swift implementation of P299. Therefore, the Workgroup agreed that a second implementation approach would be practical to ensure that, if the Authority were unable to make a decision on P299 prior to the 12 June 2014, the solution could be implemented within 10 Working Days of any decision to approve the Modification.

Assessment Consultation Questions
Do you agree with the Workgroup's proposed implementation approach?
The Workgroup invites you to give your views using the response form in Attachment C

Assessment Consultation Question
How long (from the point of Ofgem approval) would you need to implement P299?
The Workgroup invites you to give your views using the response form in Attachment C

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What data is required to support DSBR?

The P299 Workgroup has considered what data is required to support the Transmission Company in the operation of the new DSBR service.

The P299 Proposer advised the Workgroup that the Transmission Company requires historic HH MSID level data for sites that could reduce demand or increase generation at times of system stress. This data would only be required from those who wished to tender for the DSBR service. It was also noted that this would be a one off request for each new tender in order to validate the capabilities of each site.

If and when the DSBR service is called, the Transmission Company will require a further data submission for each of the affected sites. This request will include the provision of data for the date the service was called along with 10 peak demand days (as defined by the Transmission Company in its request). This data is required by the Transmission Company to process settlement payments for the DSBR service. A similar data submission may be required in the event that a testing exercise is undertaken for individual DSBR providers. A test sample from DSBR providers may be expected each winter.

Use of historic data

A Workgroup member questioned why the Transmission Company needs historic data and how it will be used to validate potential sites. The Proposer responded that the historic data will be used to form a baseline of typical demand during peak demand conditions. This will help the Transmission Company to determine whether the demand reduction offered for the DSBR service is consistent with the level of demand taken at the site. Another Workgroup member noted that the use of this historic data will help the Transmission Company understand the current state of potential sites and investigate any shortfalls in data (between the data requested and the data submitted by an HHDC). For example, a tender may expect a site to be suitable for the DSBR service but the site has been de-energised resulting in a shortfall of data. Similarly, if there has been a change of agent (HHDC) during a winter period for which data is being submitted for, there will also be a shortfall in data. The Proposer added that the use of this historic data will make the tendering process more robust and will ensure that the sites used as part of the DSBR service are capable of delivering the service as expected.

Another Workgroup member questioned why the Transmission Company, in asking tenders for this historic data, required only a 'winter's worth' of data. The Proposer responded that if the DSBR service is called it will only be called during a winter period, when demand is at its highest. Therefore, the Transmission Company only needs historic data from November to February. As an example, if the Transmission Company were to request historic data for the use of DSBR in the 2014/15 winter period, it would only request historic data spanning November 2013 to February 2014.

Submission of estimated consumption data

A Workgroup member asked the Proposer if the Transmission Company required actual data to support DSBR, as HHDCs may only be able to provide estimated data at the time of the request. Another member added that the submission of estimated data may not be an issue for historic data used to validate tenders. However, it could be an issue for any

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further data required to process settlement payments for the DSBR service. The Workgroup agreed that actual data will be required for any day on which DSBR is called and that any use of estimates may be an issue in this case. The Proposer responded that estimated data for the validation of tenders should be fine and agreed with the Workgroup's view that estimated data for processing settlement payments for DSBR is an issue that the Transmission Company needs to consider.

A member noted that the electricity market runs on estimates for a number of reasons, one being the 14 Month BSC Settlement process, and that requiring actual data shortly after a DSBR event may not be possible. Another member added that, as an HHDC, data can change across the whole 14 month window. This means that when the Transmission Company requires data to process settlement payments the data provided may become inaccurate over time due to the 14 Month Settlement process.

A Workgroup member noted that, given the potential impacts estimated data could have, it would be prudent to include a flag so that HHDCs can inform the Transmission Company that the data submitted is estimated not actual. The Proposer and the Workgroup agreed that this was a sensible solution requirement.

The Workgroup questioned whether the use of estimates would result in follow up data requests to the HHDC from the Transmission Company. The Proposer reiterated that the Transmission Company will need actual data to ensure that payments for the DSBR service are processed correctly. This means that the Transmission Company may issue follow up requests throughout the whole 14 month window to ensure that these payments are correct.

A Workgroup member questioned if a change will be required to the existing estimation methods in BSCP502 Section 4. Another member responded that they didn't see why a change would need to be made as DSBR is a temporary service so it would not be pragmatic to make a change to these methods. The Proposer and Workgroup agreed with this view and that any estimated data submitted to the Transmission Company for the use of DSBR will be calculated using the existing estimation methods detailed in BSCP502. In addition, by flagging that the data provided is estimated it will prompt the Transmission Company to request updated data at a later date.

Format of submitted data

The Workgroup questioned what format the data submitted to the Transmission Company needed to be in. A Workgroup member asked the Proposer if the Transmission Company had a format in mind. The Proposer responded that there had been discussions around the format (and content of required data). The Workgroup discussed the required data and agreed that it is similar to what is contained within the DTC D0036 data flow.

A Workgroup member noted that their organisation tries to store such data in line with the standard DTC flow format. This ensures efficiency when data needs to be pulled from their systems. Another member added that systems vary across all HHDCs; though having this data submitted in a similar format to the D0036 means it may be easier for HHDCs to collate the data when compared to using a new format.

The Proposer and the Workgroup agreed that data submitted to the Transmission Company to support DSBR should be in a format similar to the D0036 flow.

Appendix 1 contains an example of the required data and the expected format of this data.

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What are the processes & timescales for collecting the required data?

The Workgroup asked the Proposer what the process would be for collecting the required data. The Proposer responded that the Transmission Company would submit requests to HHDCs who would collate the required data for each MSID it holds data for and send it back. One Workgroup member asked how quickly the Transmission Company expected an HHDC to respond with the required data. The Proposer stated that a 5 Working Day (WD) turnaround time was suggested as part of the initial analysis of this process.

Some Workgroup members were concerned about how feasible it will be for an HHDC to turn around such a request in 5 WDs. One member noted that there are a number of things to consider when it comes to the timescales associated with this process. If a site does not have the required communications installed (or the communications are not working) it could be difficult for an HHDC to obtain this data quickly (i.e. remotely). There is also potential for unforeseen faults on these sites. A member used the recent flooding across the UK as an example of this, stating that such flooding could mean that Meters on sites could be beyond repair and it may take time for these Meters to be replaced. Such events could result in an HHDC being unable to gather the required data in time. It is worth noting that if actual Meter reads cannot be obtained then DSBR cannot be provided.

Another member questioned whether HHDCs will need to validate the data before it is submitted to the Transmission Company. The member believes that if an HHDC is required to validate the data there may be more than a 5 WD turnaround time required. The Workgroup asked the Proposer if the Transmission Company wanted validation done prior to receiving this data or if having the HHDC collate and submit the data as is will suffice. The Proposer responded that they could not see why the Transmission Company would require HHDCs to validate this data if it could potentially result in more time and resource from HHDCs. The Transmission Company is proposing that it will send all the MISD for which they require data for to all HHDCs (along with the dates and settlements periods required) with HHDCs supplying data only for those MSIDs for which they hold information.

It was noted by a Workgroup member that the volume of MSIDs, for which each relevant HHDC will need to gather data on, would have an impact on timescales. For example, if an HHDC is required to collate data for just a few MSIDs, volume will not be an issue. However, if an HHDC is asked to collate and submit this data for 100 MSIDs, volume may become an issue. The Workgroup questioned whether it would be possible for the Transmission Company to estimate the number of MSIDs for which data may be required. Initially the Proposer responded that it will not be possible to estimate the total number of MSIDs which may provide a DSBR service but following the meeting more detail was provided and the Transmission Company advised that several thousand MSIDs may be involved. The Workgroup considered that estimating such volumes, and even estimating a number of MSIDs based on tenders, could be difficult for the Transmission Company.

The Workgroup agreed that, given these unknowns, putting in place a 5 WD turnaround time for HHDCs to respond to the Transmission Company's initial historic data request (for the validation of tenders) and any other requests for processing payments may be sufficient. The Workgroup also agreed that a question should be included in the P299 Assessment Consultation asking the industry if the proposed timescales are appropriate.

Following the first Workgroup meeting, the Proposer informed ELEXON (who informed the rest of the Workgroup) that, acknowledging the numerous caveats involved, Transmission

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Company estimated the number of Metering Systems it will request data for to be 'a few thousand'. Although this number seems high, it includes all of the MSIDs that are less than 1MW that may be targeted by aggregators, as the Transmission Company needs the required data at an MSID level for those greater than 1MW. It is worth noting that there is a 1MW threshold associated with DSBR and historic data will only be required for the initial 'post tender assessment' stage. For the 'post DSBR event' stage the data required would only be requested for sites affected by the event.

A Workgroup member questioned whether HHDCs would be able to submit 'test' data to the Transmission Company to ensure that requested data will be submitted as expected. The member added that any such test period would need to be factored into the tendering process and should be considered by the Transmission Company. This will help mitigate the risk of data being sent in different formats due to HHDCs interpreting the format differently. The Proposer agreed that it would be beneficial for the Transmission Company to consider including a test period in the tendering process.

Post DSBR event data requests

A Workgroup member asked the Proposer how long the Transmission Company will wait before issuing an initial 'post DSBR event' data request to the relevant HHDCs. The Proposer asked the Workgroup what it believed a sufficient amount of time would be. A Workgroup member responded that if data is requested on D+1 (the first day after a DSBR event) the HHDC may not be able to get actual data within the 5 WD turnaround time previously agreed by the Workgroup. The member added that HH Settlement data on D+3 (3 days after a DSBR event) is 95% accurate and the same data on D+13 is 99% accurate. Therefore, the longer the Transmission Company waits to request 'post DSBR event' data the more accurate the data will be. The Proposer advised ELEXON (who advised the Workgroup) that the Transmission Company's preference would be to wait until the D+13 stage before requesting any 'post DSBR event' data to ensure payments are based on the most accurate figures.

A Workgroup member wondered who would be responsible for initiating any required follow up requests (to ensure data provided for payments is accurate). The member believes that it will be more efficient for the Transmission Company to initiate these requests, whether these consist of a set number or a series of ad-hoc requests. Requiring HHDCs to monitor impacted MSIDs for changes may require system changes and additional resource to ensure that a change in the data submitted is picked up. Other members of the Workgroup agreed with this view and noted that the obligation to follow up on estimated data should sit with the Transmission Company. The Proposer agreed with the Workgroup's view that requiring HHDCs to monitor MSIDs for data changes would not be the most efficient way to follow up submitted data. Therefore, the Proposer agreed that any follow up requests would be instigated by the Transmission Company, with each request having the same response timescale (i.e. 5WDs).

A Workgroup member suggested that the Transmission Company may want to have a set number of follow up requests over a set period of time. This would be the most efficient way for the Transmission Company to know when to request updated data from HHDCs. The Proposer and the Workgroup agreed with this view as having a set number of requests over a set period would allow the Transmission Company and HHDCs to manage their time and resource. The Proposer asked the Workgroup for their views on the number of requests required and the timing of those requests.

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It was suggested that the requests run in line with the different Settlement Runs. This would mean that the Transmission Company would request updated data in line with the Settlement process (which ensures that Settlement data becomes more accurate as time goes on). The Proposer and Workgroup agreed with this view. Therefore, any follow up data requests by the Transmission Company will tie in with the relevant Settlement Dates for the different Settlement Runs.

What security measures will be followed to ensure data is collected and held securely?

The Workgroup questioned what security measures will be in place to ensure that the data collected is held securely and that the integrity of the data is kept intact.

The Transmission Company has developed a comprehensive suite of policies, standards and guidelines to ensure compliance with its privacy and information security obligations. These obligations are based on ISO 27001, which is a code of practice for Information Security Management, though the Transmission Company does not formally hold this certification. The Transmission Company's Policies and Standards are reviewed on (at least) an annual basis and are available to all employees and contractors through the company's intranet site and to relevant vendors through the on boarding process.

In addition to this, the Transmission Company has a number of obligations under the Transmission Licence that are designed to protect any third party information that it receives (e.g. Connection and Use of System Code (CUSC) Section 6.15). With respect to the BSC, Section H paragraph 4.4 'Confidentiality for the Transmission Company' places obligations on the Transmission Company in relation to Protected Information by Business Personnel.

The Transmission Company treats all information in confidence and in accordance with the Data Protection Act (1999). The Proposer has assured ELEXON that all appropriate technical, organisational and contractual measures are in place to ensure that personal data is held securely, as required under the Seventh Data Protection Principle of the data Protection Act.

The Workgroup were confident that the security measures the Transmission Company has in place will ensure that the data collected for use with DSBR will be secure and the integrity kept intact.

What changes are required to support P299?

The Workgroup considered what changes will be required to the BSC and other code subsidiary documents to support P299.

ELEXON suggested that minor amendments be made to BSC Section L so that the Transmission Company can use the required data for the operation of DSBR. It was also suggested that, depending on the amount of data the industry may want around process, timescales and data content/format, the draft BSC Section L changes should reference BSCP502. That way the BSCP can be amended to capture the more detailed aspects of the P299 solution.

The Proposer and the Workgroup agreed that this was the most efficient approach. A Workgroup member added that DSBR is a temporary service to ensure that the lights stay

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on while the industry waits for the implementation of the Capacity Market[7] arrangements. Therefore, only minimal changes should be made to the BSC to make it as future proof as possible.

The draft changes to BSC Section L (Attachment A) and BSCP502 (Attachment B) can be found attached.

What are the impacts on BSC Parties and Party Agents?

The Workgroup considered what impact there may be on BSC Parties and Party Agents due to the implementation of P299.

The Workgroup discussed the impacts on HHDCs, as detailed above. Some members were concerned that there are still a number of unknowns around the DSBR service. For example, the number of MSIDs for which an HHDC will need to provide data on, expected demand reduction volumes if DSBR is used and the number of tenders that may sign up to the DSBR service. The Workgroup believes that it is important to consider the impact on HHDCs individually and collectively.

The Workgroup also discussed potential impacts on Suppliers due to HHDCs having to provide data to the Transmission Company under P299. A Workgroup member noted that HHDCs provide a service to Suppliers by managing relevant MSIDs. The member believes that requiring HHDCs to spend time and resource providing data to support DSBR may not sit well with some Suppliers. This is because Suppliers pay HHDCs for their time and resource to manage their MSIDs. Therefore, if the Transmission Company requests an HHDC to provide data to support DSBR, the Supplier will end up paying for it (and ultimately pass any cost on to consumers).

A Workgroup member asked the Proposer if the Transmission Company planned on paying HHDCs directly for providing the required data. The Proposer responded that it was not the Transmission Company's intention to do so. Another Workgroup member added that they were under the impression that, as a HHDC, they would be paid for providing this data.

A Workgroup member noted that because this will not be a paid service, associated costs will be covered by Suppliers. Although addressing such implications is outside the scope of P299, the Workgroup agreed that such impacts on Suppliers need to be considered nonetheless.

Impacts on Supplier position at Gate Closure

The Workgroup considered how the use of DSBR may impact a Supplier's position at Gate Closure. Although addressing such an impact is outside the scope of P299, the Workgroup agreed that it should be discussed and considered.

The Proposer advised the Workgroup that at times of system stress, a Supplier with sites affected by the use of DSBR may find that its position at Gate Closure is longer than expected. This is because these sites will not have consumed as much energy as predicted, as a DSBR event may result in the Transmission Company requesting these sites to reduce consumption. Given that DSBR would be called when the system was short, the System Sell Price (SSP) (under the current rules) would be set by the Market Price. It

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is likely that this price will be high given the shortage. This means that there is potential for a DSBR event to not have a detrimental financial impact on a Supplier whose customer(s) were called and responded. The Proposer added that if a DSBR event was called, resulting in a Supplier's position at Gate Closure being longer than expected, there would be 30 minutes to trade out the expected reduction in demand if as noted below, effected Suppliers are notified when DSBR will be used.

How will the industry be informed of a DSBR event?

The Workgroup considered how the industry would be informed of a DSBR event and how a Supplier would know if one of its sites was affected.

The Proposer advised the Workgroup that ideally a System Warning message will be posted on the BMRS at least two hours prior to a DSBR event taking place. There is a possibility of a DSBR event being called at shorter notice. However, a BMRS warning will still be issued before the event is called. ELEXON asked the Proposer how the Transmission Company will inform Suppliers that one or more of its sites have been affected. The Proposer advised that the Transmission Company, in tendering for the DSBR service, will have developed a relationship with DSBR providers and may know who the relevant Supplier is (and if or when it changes). As part of the tender process the Transmission Company may, on request, be able to advise Suppliers which of its customers will potentially be providing a DSBR service (assuming the Supplier information is captured during the tender process).

Systems and processes are currently being developed to support the DSBR service and during the settlement of DSBR the Transmission Company may, on request, be able to provide a Supplier the volume of DSBR provided by its customers. However, Suppliers can change meaning the Transmission Company may not have access to this data. This may therefore present a real challenge in being able to provide Supplier level data for any DSBR response. The Transmission Company will know more about this as it better understands the systems and data it will have access to. If Suppliers have requested details during the tender process, as to which of its customers may be supplying a DSBR service, the Supplier will be able to contact its customers directly for information on any DSBR response.

Are there any alternative solutions?

A Workgroup member stated that if DSBR was to be a permanent service they could see how it may be more efficient for the Transmission Company to use another organisation to help operate the service. This is because there are organisations in the industry that specialise in collecting and processing data. However, the fact that DSBR is a temporary service means that the Transmission Company collecting and processing the data and payments seems to be the more pragmatic approach.

The Workgroup agreed with this view and chose not to raise any alternative solutions.

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Assessment Consultation Question
Do you agree with the Workgroup's view that there are no feasible alternative solutions to P299? *If not, please provide deals on any potential alternative solution(s) the Workgroup should consider.*
The Workgroup invites you to give your views using the response form in Attachment C

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7 Workgroup's Initial Conclusions

Workgroups views on the Applicable BSC Objectives

The following table contains the Proposer's and the Workgroup's views against each of the Applicable BSC Objectives:

Does P299 better facilitate the Applicable BSC Objectives?		
Obj	Proposer's Views	Other Workgroup Members' Views[8]
(a)	• **Neutral** – No impact.	• **Neutral** – No impact.
(b)	• **Yes** – The proposed solution would ensure that DSBR tender submission data can be correctly validated and the settlement of payment process is fully supported.	• **Yes** (unanimous) – Agree with Proposer.
(c)	• **Neutral** – No impact.	• **No** (unanimous) – Although P299 does not have a direct impact on competition the Modification supports the DSBR service. A service that may have minor detrimental impacts on competition as some Supplier's may benefit from a longer position at Gate Closure (as details in Section 6). • **No** (minority) – Suppliers pay for HHDCs to provide this data to the Transmission Company. However, they are not getting any benefit from it unless their sites are affected and their position at gate closure is longer, as noted above.
(d)	• **Neutral** – No impact.	• **No** (unanimous) – Although P299 does not have a direct impact on the efficient implementation of BSC arrangements, there will be costs associated with its implementation. Resulting in a minor detrimental impact against this Objective.
(e)	• **Neutral** – No impact.	• **Neutral** – No impact.

Workgroups initial views on the proposed solutions

The Workgroup initially unanimously believes that the P299 proposed solution would better facilitate Applicable BSC Objective (b) with a slight detrimental impact on Objectives (c) and (d), for the reasons given above.

[8] Shows the different views expressed by the other Workgroup members – not all members necessarily agree with all of these views.

Recommendation

The P299 Workgroup initially unanimously recommends that P299 is approved.

What are the Applicable BSC Objectives?

(a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence

(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System

(c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity

(d) Promoting efficiency in the implementation of the balancing and settlement arrangements

(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]

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Although the Workgroup believes there would be a detrimental impact on Objectives (c) and (d), the benefit against Objective (b) outweighs these minor detrimental impacts.

Therefore, The Workgroup initially unanimously believes that P299 does better facilitate the Applicable BSC Objectives, and therefore initially recommends that P299 is approved.

Assessment Consultation Question
Do you agree with the Workgroup's initial unanimous view that P299 does better facilitate the Applicable BSC Objectives than the current baseline?
The Workgroup invites you to give your views using the response form in Attachment C

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Appendix 1: Proposed Format of Data Submitted to the Transmission Company

P299 proposes that the data submitted by HHDCs, for use with DSBR, should be submitted to the Transmission Company in a similar format to data that is currently required in the DTC flow D0036 'Validated Half Hourly Advances for inclusion in Aggregated Supplier Matrix'. BSC Section S Annex S-2 refers to this flow as the Suppliers' Metering System Metered Consumption report.

The data report submitted by HHDCs will contain data for those Metering Systems, Settlement Dates and Settlement Periods specified by the Transmission Company it its requests.

The content and format of these reports will be based on the current DTC definition, as shown in the diagram below:

Group	Group Description	Range	Condition	L1	L2	L3	L4	L5	L6	L7	L8	Item Name
101	MPAN Cores	1-*		G								
					1							MPAN Core
					1							Measurement Quantity Id
					1							Supplier Id
102	Settlement Date	1-*			G							
						1						Settlement Date
103	HH Periods	8				G						
							1					Actual/Estimated Indicator
							1					Period Metered Consumption

The data report submitted by HHDCs to the Transmission Company is identical to the format and data contained in the D0036, with the exception of the range of the 'HH Periods' group, which need only be comprised of 8 entries for the periods between 4pm and 8pm.

In order to enable HHDCs to re-use the current report generation functions, the Group names (101,102 and 103 as listed above) are the same as those in the D0036. However, other group names could be established if required as a result of this consultation.

Once generated, the HHDC will provide the data report to the Transmission Company as a pipe delimited text file attached to an email.

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Appendix 2: Workgroup Details

Workgroup's Terms of Reference

Specific areas set by the BSC Panel in the P299 Terms of Reference
What data is required to support the DSBR service and what are the processes and associated timescales for collecting such data?
What are the potential impacts on BSC Parties and Party Agents due to the collection of this data?
What are the impacts on Suppliers, including how a DSBR event may impact their position at Gate Closure?
How will a Supplier be informed that the Transmission Company has instructed the use of DSBR for one or more of its sites?
What steps will be taken to ensure the data collected is securely held and the integrity of the data is intact?
What changes are required to BSC documents and how details do the change need to be?
What are the related costs and lead times associated with P299?
Are there any Alternative Modifications?
Does P299 facilitate the Applicable BSC Objectives better than the current baseline?

Assessment Procedure timetable

P299 Assessment Timetable	
Event	Date
Present Initial Written Assessment to Panel	13 Feb 14
Workgroup Meeting 1	18 Feb 14
Industry Impact Assessment/Assessment Consultation	28 Feb – 14 Mar 14
Workgroup Meeting 2	W/C 17 Mar 14
Present Assessment Report to Panel	10 Apr 14

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Workgroup membership and attendance

P299 Workgroup Attendance			
Name	Organisation	18/02/14	*W/C 17/03/14*
Members			
David Barber	ELEXON *(Chair)*	✓	
Talia Addy	ELEXON *(Lead Analyst)*	✓	
Peter Bingham	P299 *(Proposer)*	✗	
Alex Haffner	P299 *(Proposer Representative)*	✓	
Gary Henderson	ScottishPower	✓	
Philip Russell	Independent	✓	
Ian Hall	IMServ	✓	
Jane Lucy	databarta	✓	
Richard Evens	Siemens	✓	
Nick Butlin	KiWi Power	✗	
Ben Fuller	British Gas	✓	
Attendees			
Steve Francis	ELEXON *(Design Authority)*	✓	
Alex Burford	ELEXON *(Legal)*	✓	
Tina Wirth	ELEXON *(Legal)*	✓	
Tariq Hakeem	P299 *(Proposer Alt. Representative)*	✗	
Paul Bedford	Opus Energy	✗	

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Appendix 3: Glossary

The terms used in this document are defined in the table below:

Glossary of Defined Terms	
Acronym	Defined Term
BSCP	Balancing and Settlement Code Procedure
CUSC	Connection and Use of System Code
DSBR	Demand Side Balancing Reserve
DTC	Data Transfer Catalogue
HH	Half Hourly
HHDA	Half Hourly Data Aggregator
HHDC	Half Hourly Data Collector
MPAN	Metering Point Administration Number
MSID	Metering System Identification Number
SLC	Standard Licence Condition
$SMMC_{ZaKj}$	Metering System Metered Consumption
STOR	Short Term Operating Reserve
SVA	Supplier Volume Allocation
SVAA	Supplier Volume Allocation Agent

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