Final CP Report

CP1426 'Receipt of the D0296 flow at II'

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About This Document

This document is the Final Change Proposal (CP) Report for CP1426, which ELEXON has published following the final decision from the Imbalance Settlement Group (ISG) and Supplier Volume Allocation Group (SVG) to approve CP1426.

There are four parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, and proposed implementation approach. It also summarises the ISG and SVG's views on the proposed changes and the views of respondents to the CP Consultation, along with the final decision to approve this change.
- Attachments A and B contain the approved redlined changes to deliver the CP1426 solution.
- Attachment C contains the full responses received to the CP Consultation.

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1 Why Change?

Background

As part of the Contracts for Difference (CFD) and Capacity Markets (CM) processes under the Electricity Market Reform (EMR) arrangements, associated charges are due to start being levied on Suppliers at the Interim Information Volume Allocation Settlement Run (II). Under these provisions, Suppliers will need to be able to validate these charges in a robust and transparent manner. In order to do this, Suppliers have indicated that they will require the D0296 'Supplier BM Unit Report' data flow to be made available to them at II.

At present, the D0296 data flow is produced by the Supplier Volume Allocation Agent (SVAA) for all Settlement Runs, but is only made available to Suppliers for the Initial Settlement Volume Allocation Run (SF) and subsequent Volume Allocation Runs.

What is the issue?

As the D0296 data flow is not currently made available to Suppliers at II, Suppliers will be unable to validate any EMR invoices when they start being levied at II from 1 April 2015. Suppliers will need to receive this data flow at this time in order to validate these charges.

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2 Solution

Approved solution

CP1426 'Receipt of the D0296 flow at II' was raised by ScottishPower. It proposes to amend the SVAA systems so that the D0296 data flow is made available to Suppliers at II. This flow is already produced by the SVAA at II, but is not distributed to Suppliers.

The first EMR invoices will be levied at II for Settlement Dates from 1 April 2015 onwards. In order to facilitate preparation for this, the SVAA began issuing the D0296 data flow to any Supplier who wishes to receive it on an 'opt-in' basis from Settlement Day 1 March 2015. This will allow time for Suppliers to test the receipt of this flow at II and to resolve any issues in receiving or processing this data. It will also allow the SVAA to ensure distribution is operating as intended before the EMR processes 'go live'. This CP will then seek to align the relevant Balancing and Settlement Code Procedures (BSCPs) and formalise the process, maintaining the 'opt-in' arrangement that will be offered in the interim.

Proposer's rationale

The new EMR processes will use the D0296 data flow at II (and subsequent Settlement Runs) to calculate the charges levied on Suppliers. Suppliers must have timely visibility of this data to ensure that the charges being levied are appropriate. This will enable them to demonstrate due process in checking the charges levied on them (especially as these may be indirectly passed on to end consumers).

Approved redlining

The approved changes to BSCP01 'Overview of Trading Arrangements' and BSCP508 'Supplier Volume Allocation Agent' to deliver CP1426 can be found in Attachments A and B.

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3 Impacts and Costs

Central impacts and costs

Central impacts

CP1426 will require amendments to BSCP01 and BSCP508. The SVAA will need to update the flow routing details held in the Data Marshalling Systems whenever a Supplier elects to receive the D0296 data flow at II, but these will be handled as business-as-usual activities.

Central Impacts	
Document Impacts	System Impacts
• BSCP01 • BSCP508	• SVAA Data Marshalling

Central costs

The central implementation costs for CP1426 will be approximately £240 (one ELEXON man day) to implement the necessary document changes. There are no system changes required to implement this CP. All BSC Agent impacts will fall under business-as-usual operations.

If every Supplier that currently receives the D0296 data flow at SF also chooses to receive it at II, there will be an approximate cost of £15,000 per annum to transmit this information over the Data Transfer Network (DTN). This cost would be incurred under ELEXON's DTN charges, but will be charged to EMR under the BSC provisions for recovery of CFD Settlement Services Provider Costs. This means that BSCCo will pass the cost on to EMR Settlement Limited, who will pass it on to the Low Carbon Contract Company, who will ultimately recover it from Suppliers through the operational cost levy.

BSC Party & Party Agent impacts and costs

Participant impacts

There are no direct BSC Party or Party Agent impacts anticipated for CP1426, as Parties will have to opt in for the changes to take effect. There may be an impact on any Suppliers who wish to receive the D0296 data flow at II should they need to amend their systems in response to this. Five respondents to the industry consultation said that they would be impacted by CP1426, as they would need to adjust systems to accept, and procedures to process, the D0296 data flow.

BSC Party & Party Agent Impacts	
BSC Party/Party Agent	Impact
Suppliers	Optional receipt of D0296 data flow at II.

Participant costs

There are no direct BSC Party or Party Agent costs identified for CP1426. Four respondents to the consultation said that they would incur costs as a result of CP1426. This would result from system changes and analysing the data, but would be relatively minor. However, as noted above, these impacts and costs will not be a direct result of CP1426.

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Under the approved solution, Suppliers would have to 'opt-in' to receive this extra data flow, and so no organisation will face mandatory costs or impacts.

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4 Implementation Approach

Approved Implementation Date

The approved Implementation Date for CP1426 is **25 June 2015** as part of the June 2015 Release.

The SVAA began issuing the D0296 data flow to Suppliers at the II Settlement Run on an 'opt-in' basis for Settlement Day 1 March 2015 onwards. This is to allow time for Suppliers to check their systems before 'go-live'. The corresponding document changes to align the relevant BSCPs will be implemented in the next available Release.

The data in the D0296 data flow is BSC data rather than EMR data, and therefore the implementation of this change is not dependent on any EMR milestone dates.

All respondents to the industry consultation agreed this proposed implementation approach.

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5 Initial Committee Views

SVG's initial views

The SVG considered a verbal presentation of CP1426 at its meeting on 2 December 2014 (SVG166)

The SVG agreed that it was appropriate for ELEXON to progress this change in line with the proposed plan. It noted that under the current assumption that EMR-related charges will be levied against Suppliers at II from 1 April 2015, there was insufficient time to properly progress and implement a CP. It therefore agreed that the proposed route was the best course of action.

It was noted that Suppliers would need this information prior to 1 April 2015 in order to resolve any problems that may occur before such issues would have financial implications. This has been allowed for in the proposed plan.

One Member questioned whether the D0296 flow was the appropriate data flow for this validation. They felt that the D0081 'Supplier Half Hourly Demand Report' data flow was potentially more suitable for this process and queried whether this alternative data flow was as readily available as the D0296 flow. It was noted that Suppliers have only asked for the D0296 flow, and Suppliers have confirmed that this is the flow they would require.

There was also concern over this instruction resulting in Suppliers receiving unwanted information, and possible impacts this would have on such Parties. This shouldn't however be a problem as prior to any CP being implemented the data flows will be provided to Suppliers at II on an 'opt-in' basis, and so Suppliers would only receive this information if they actively requested it. Furthermore, the 'opt-in' basis will be retained under CP1426, and so Suppliers will not receive this data flow at II unless they actively request it. As such, it is important that any Party who may wish to receive this information is made aware of how to do so. ELEXON will circulate this information as widely as it can.

ISG's initial views

As CP1426 is a Supplier Volume Allocation (SVA) matter, we did not seek initial views from the ISG. CP1426 only requires ISG approval because BSCP01 is jointly owned by the ISG and the SVG.

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6 Industry Views

This section summarises the responses received to the CP Consultation. You can find the full responses in Attachment C.

Summary of CP1426 CP Consultation Responses				
Question	Yes	No	Neutral/ No Comment	Other
Do you agree with the CP1426 proposed solution?	7	0	0	0
Do you agree that the draft redlining delivers the intent of CP1426?	7	0	0	0
Will CP1426 impact your organisation?	5	2	0	0
Will your organisation incur any costs in implementing CP1426?	4	3	0	0
Do you agree with the proposed implementation approach for CP1426?	7	0	0	0
Would you require the D0296 data flow at II to validate EMR-related charges, and would you require any other data flows?	5	0	1	1
Do you have any further comments on CP1426?	0	7	0	0

Comments on CP1426

We received seven responses to the industry consultation. All of these respondents agreed with the CP1426 solution and draft redlining, agreeing that it would support the introduction of EMR arrangements.

In response to the SVG's question of which flow was most appropriate for validation purposes, the majority of respondents said that they would require the D0296 data flow (as proposed). No respondents identified any other data flows they would require for this.

Comments on the proposed redlining

No respondents provided any specific comments on the proposed redlining. However, during the industry consultation it was internally flagged that steps 24 – 28 of BSCP01 Section 4.1 logically should be adjacent, and so the proposed additional step should instead be inserted prior to these. This change has been made in the approved version of the redlining.

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7 Final Committee Views and Decision

ISG's final views

ELEXON presented CP1426 to the ISG at its meeting on 24 February 2015 (ISG166/06).

One ISG Member commented that the industry had already been informed that they will be able to receive the D0296 data flow at II, and questioned whether this was pre-empting the approval of CP1426. ELEXON responded that this approach had been approved by the SVG at its meeting on 2 December 2014, and that the 'opt-in' nature would ensure that there were no adverse effects on Parties. The ISG had no other comments.

SVG's final views

ELEXON presented CP1426 to the SVG at its meeting on 3 March 2015 (SVG169/05).

The SVG considered the comments made by the ISG. One SVG Member queried what the process is for Suppliers to 'opt-in' and receive the D0296 data flow at the II. ELEXON advised that it issued ELEXON Circular EL02207 on 23 February 2015, which provided instructions on how Suppliers should contact the BSC Service Desk if they wished to receive the D0296 data flow at II. It also noted that these instructions were included in Newscast. The SVG had no other comments.

Final decision

The ISG and SVG have:

- **APPROVED** CP1426 for implementation on **26 June 2015** as part of the June 2015 BSC Systems Release.

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Appendix 1: Glossary & References

Acronyms

Acronyms used in this document are listed in the table below.

Glossary of Defined Terms	
Acronym	Definition
BSC	Balancing and Settlement Code *(Document)*
BSCCo	Balancing and Settlement Code Company *(ELEXON)*
BSCP	Balancing and Settlement Code Procedure *(Document)*
BM	Balancing Mechanism
CFD	Contracts for Difference
CM	Capacity Market
CP	Change Proposal
DTN	Data Transfer Network
EMR	Electricity Market Reform
II	Interim Information Volume Allocation Run
ISG	Imbalance Settlement Group *(Panel Committee)*
SF	Initial Settlement Volume Allocation Run
SVA	Supplier Volume Allocation
SVAA	Supplier Volume Allocation Agent
SVG	Supplier Volume Allocation Group *(Panel Committee)*

DTC data flows and data items

DTC data flows and data items referenced in this document are listed in the table below.

DTC Data Flows and Data Items	
Number	Name
D0081	Supplier Half Hourly Demand Report
D0296	Supplier BM Unit Report

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External links

A summary of all hyperlinks used in this document are listed in the table below.

All external documents and URL links listed are correct as of the date of this document.

External Links		
Page(s)	Description	URL
2	EMR Settlement website	https://emrsettlement.co.uk/
2	D0296 data flow in the Data Transfer Catalogue	http://dtc.mrasco.com/DataFlow.aspx?FlowCounter=0296&FlowVers=1&searchMockFlows=False
3	CP1426 page on the BSC website	https://www.elexon.co.uk/change-proposal/cp1426/
3	BSCPs page on the BSC website	https://www.elexon.co.uk/bsc-related-documents/related-documents/bscps/
7	SVG 166 page on the BSC website	https://www.elexon.co.uk/meeting/svg-166/
7	D0081 data flow in the Data Transfer Catalogue	http://dtc.mrasco.com/DataFlow.aspx?FlowCounter=0081&FlowVers=1&searchMockFlows=False
9	ISG 166 page on the BSC website	https://www.elexon.co.uk/meeting/isg-166/
9	SVG 169 page on the BSC website	https://www.elexon.co.uk/meeting/svg-169/

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