

# Assessment Procedure Consultation Responses

## P321 'Publication of Trading Unit Delivery Mode'

This Assessment Procedure Consultation was issued on 9 July 2015, with responses invited by 7 August 2015.



### Phase

Initial Written Assessment

Definition Procedure

Assessment Procedure

Report Phase

Implementation

### Consultation Respondents

Respondent	No. of Parties/Non-Parties Represented	Role(s) Represented
SmartestEnergy	1 / 0	Supplier
E.ON UK Plc	1 / 0	Generator, Supplier, Interconnector User, Non Physical Trader
Drax Power Limited	1 / 0	Generator
Everis Consultancy Ltd on behalf of ScottishPower Group	9 / 0	Generator, Supplier, Distributor, Non Physical Trader, ECVNA, MVRNA, Supplier Agent
EDF Energy	9 / 0	Generator, Supplier, ECVNA, MVRNA

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P321  
Assessment Consultation  
Responses

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Version 1.0

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Question 1: Do you believe that P321 would better facilitate the Applicable BSC Objectives compared to the current baseline and so should be approved?

## Summary

Yes	No	Neutral/No Comment	Other
5	0	0	0

## Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	<p>Currently, suppliers can see whether a GSP has flipped in any one half hour by referencing the direction of the TLM or their net BSUoS bill. It is currently not possible for customers to have access to this information. The lack of visibility can hinder customers' ability to independently verify their bills or assess which type of contract is right for them. Customers are unable to see the real value of pass-through contracts in comparison with fixed contracts, because they cannot forecast the incidences of flipping. Nor can developers make accurate decisions as to future revenue from proposed sites. The proposal is therefore in the interests of competition (Objective c)</p> <p>The publication of the gross data will enable industry participants to better forecast when flipping is likely to occur in all GSP Groups. Suppliers need to be able to forecast this for the purposes of their fixed tariffs and generators should be able to forecast their revenue more accurately, and hence make investment decisions or contract decisions.</p>
E.ON UK Plc	Yes	Agree with the proposer
Drax Power Limited	Yes	<p>The P321 proposal meets Applicable BSC Objectives (ABO) (b) and (c) for the reasons stated in the workgroup report. Drax also believes that P321 may assist in the identification of possible constraints on the system and will help to explain National Grid's balancing actions. The improved clarity behind the decision making made by National Grid will allow market participants to make better informed judgements in pricing, therefore it will facilitate efficient price formation and thus will further ABO (c). Further, P321 will allow market participants to: see the challenges faced by the SO in terms of increase embedded generation; understand the volatility behind BSUoS; and gain better quality</p>

Respondent	Response	Rationale
		information on the generation mix in the market beyond traditional transmission connected assets. Ultimately, ABOs (b) and (c) will be better facilitated.
Everis Consultancy Ltd on behalf of ScottishPower Group	Yes	<p>We agree with the workgroups views on the applicable Objectives. This modification will better achieve Objectives B and C.</p> <p>On Objective B, we agree that the publication of this data could have a beneficial impact on system management IF new build generation is able to use this information to make decisions (e.g. around construction or operational patterns) which lead to a more efficient operation or a better financial case for investment.</p> <p>On Objective C, again we agree that this information will allow customers to make a better informed decision when it comes to the type of contract they make with their Supplier. It will level the playing field for all customers in this situation, where some may be receiving this data already from Suppliers, while others are not able to, for whatever reason. Our only minor concern is that by mandating the provision of this data we are denying Suppliers an opportunity to provide a differentiating service, stifling a potential competitive advantage.</p> <p>Overall we feel that the benefits outweigh any potential dis-benefits and that the arguments under C by far outweigh the arguments under B</p>
EDF Energy	Yes	<p><b>Reporting of Trading Unit Half-Hourly Delivery/ Offtake Status:</b></p> <p>Better relevant information, including for consumers and small participants, should better promote BSC Objective (c) concerning effective competition. Although there is a central cost acting against BSC Objective (d) relating to efficiency of administration of the BSC, a centrally provided status would avoid the need for each individual participant and third party to process data to determine the status, providing a possible benefit against BSC Objective (d).</p> <p>The delivery/offtake status of a Trading Unit in each half-hour has significant impact on various BSC and non-BSC payments for the registrants of BM Units within that Trading Unit. This will be reflected in the terms and/or price for end-users associated with the BM Unit and Trading Unit (whether they be</p>

Respondent	Response	Rationale
		<p>generators or consumers or both). Although the delivery/offtake status can be determined from BSC settlement data available to BSC Parties, it seems appropriate that the status be easily visible to BSC Parties and end-users, as proposed.</p> <p><b>Reporting of Trading Unit Half-Hourly Gross Export and Import:</b></p> <p>Improved visibility of the outturn underlying activities of generation and consumption will reduce the level of assumption made by market participants, and should assist BSC Objectives (b) relating to efficient system operation and (c) efficient competition. The central implementation costs estimated at £105k act against BSC objective (d) relating to efficient administration of the BSC, but we think the modest costs are outweighed by the potential benefits against BSC Objectives (b) and (c), and the reduced analysis and estimation cost that would result for participants.</p> <p>We agree that the underlying generation and consumption of electricity is important for understanding and forecasting likely flows on the electricity system, as well as the overall electrical characteristics of the system. Knowledge of the capability and use of connected electrical equipment is important for planning and operating networks, for decisions on locating generation and consumption, and for trading and balancing electricity.</p> <p><b>P321 and P315</b></p> <p>We note some overlap with proposal P315, in that this proposal would report half-hourly gross export and import by Trading Unit, while one of the features of the latest version of proposal P315 is to makes information on half-hourly gross export and import within different Consumption Classes by GSP Group more easily visible (MRA D0276 flow). There is a close relationship between Base Trading Units and GSP Groups, but they are not necessarily the same. The proposed reporting under this proposal P321 is directly relevant to thresholds for BSC and non-BSC payments dependent on delivery and offtake. The proposed reporting under the latest version of P315 itemises the export and import within classes within a GSP Group (eg. HH/NHH, Actual/Estimated, Losses/Non-Losses), providing additional information to support forecasting. The</p>

Respondent	Response	Rationale
		<p>workgroup should consider whether any synergies with P315 are possible, for example in processing of Consumption Component Class data.</p> <p><b>BMRS and Elexon Portal</b></p> <p>The data proposed to be made available under P321 is directly relevant to the charges and benefits faced by some customers of BSC registrants, and therefore we think publication on BMRS is appropriate (105 £k). (The same could be said of LLFs, out-turn TLMs and imbalance prices, though these are only available through the Elexon Portal website).</p> <p>The amount of data that would be published is substantial despite it being condensed to the level of Trading Units. There are 14 Base Trading Units, but some 489 Trading Units in total including around 428 BM Units in Sole Trading Units (which includes 246 Interconnector BM Units which are each sole Trading Units). With three data items for each Trading Unit for every half-hour, published in whole days from each settlement run data after the event, there are potential practical issues with publishing and using/downloading the data. For this reason, solutions using the Elexon Portal, which is less oriented towards real-time data, may have merit (additional 30 £k).</p> <p>Alternatively, the proposal could be restricted to particular Trading Units: for example those which are not sole Trading Units, of which there are currently about 61; or just the 14 Base Trading Units; or some other subset. Some generating unit data is visible through EU Data Transparency, but not all BM Unit information, so under such possible alternatives, data on Sole Trading Units (=BM Unit) would remain invisible to customers in general. Publishing data for only a subset of Trading Units would remove opportunity for simple validation of results against total system volumes.</p> <p>If Interconnector BM Units formed a single Trading Unit on each interconnector (as permitted since P174 was implemented in 2005), the total number of Trading Units would be reduced nearer to 250. Despite interconnector users sometimes having flows in opposite directions at the same time, there is little motivation for them to form a Trading Unit since they no longer contribute directly to GB BSUoS and/or Transmission Losses. However, because</p>

Respondent	Response	Rationale
		interconnector users are distinguished by import and export BM Units, there is no real benefit in publishing their status, because relevant users will know anyway, and flows are registered in CMRS and don't directly affect GSP Group flows.

## Question 2: Do you agree that the draft legal text in Attachment A delivers the intention of P321?

### Summary

Yes	No	Neutral/No Comment	Other
2	0	2	1

### Responses

Respondent	Response	Rationale
SmartestEnergy	No comment	-
E.ON UK Plc	No comment	We can't make comments on the legal text as it is not in an area we have the expert knowledge of.
Drax Power Limited	Yes	In addition, please see question 11.
Everis Consultancy Ltd on behalf of ScottishPower Group	Yes	-
EDF Energy	-	<p>The legal text describes publishing of data for all Trading Units. If it were decided to publish data only for a subset of Trading Units, appropriate changes would be required.</p> <p>Proposed Annex S-2 9.3.3 describes data to be provided by the SVAA to the SAA. Additional calculations on this data are described in proposed section T6, but the obligation to provide data to BMRA for reporting on BMRS isn't explicitly described.</p> <p>Proposed Section V2.2.2D refers to existing paragraph V2.1.2(c) which says "(c) certain other data as provided or referred to in paragraph 2.7 or elsewhere in the Code; and". It would be clearer if the text for V2.2.2D said:</p> <p>"2.2.2D Table 1D sets out [other] data to be made available on the BMRS in accordance with paragraph 2.1.2(c) and:</p> <p>(a) the period to which such data relates; [although table 1D doesn't give this]</p> <p>(b) the frequency with which such data is to be made available;</p> <p>(c) the format (in accordance with paragraph 2.4)</p>

Respondent	Response	Rationale
		<p>in which such data is to be made available.”</p> <p>The data described here is not explicitly available to the BMRA to report, only to the SAA. Sections V2.5, V3.1 cover the provision of data to BMRA for other data and perhaps additional reference is required.</p> <p>Alternative naming of some data items would more accurately describe what they represent. This would aid transparency and understanding, and avoid further obscuring the distinctions between generation and consumption/demand, export and import, delivery and offtake:</p> <p>“Trading Unit Generation Volume” should be named “Trading Unit [Gross] Export Volume”, so QTUG should be QTUE.</p> <p>“Trading Unit Demand Volume” should be named “Trading Unit [Gross] Import Volume” so QTUD should be QTUI.</p> <p>“Trading Unit Delivery Mode” should be named “Trading Unit [Period] Delivery-Offtake Status”</p> <p>This reflects the fact that true underlying generation and consumption remain unknown, since boundary meters only record export and import.</p> <p>Reference is made in the proposed definition of Trading Unit status for Table X-2 to a determination in accordance with Section T2.1.1. However, such determination is not described in existing T2.1.1 and it is not clear what values the proposed flag would take. A more appropriate place might be a new section T6.1.3 along these lines:</p> <p>“6.1.3 In respect of each Trading Unit for each Settlement Period the Trading Unit Delivery-Offtake Status shall be determined as either:</p> <p>1 [or E for net export or G for net generation] if <math>QTUE_j \geq QTUI_j</math>; or</p> <p>0 [or I or D] otherwise.”</p> <p>The proposed definition of “Corrected Component” in Table X-2 duplicates an existing equivalent and apparently sufficient definition (“The Consumption for a Supplier BM Unit’s Consumption Component Class after the application of the GSP Group Correction Factor, determined pursuant paragraph 9.3 of Annex S-2.”).</p> <p>The proposed definition of “Corrected Component”</p>



Respondent	Response	Rationale
		<p>in Table X-3 (non-section S) is required because the SAA undertakes calculations with it under proposed requirements in Section T.</p> <p><b>Observations</b></p> <p>The data proposed for CVA BM Units does not refer back to actual meter data, so does not necessarily reflect true gross export or import at individual connections (for example where two connections associated with the same BM Unit are flowing in opposite directions). For most CVA BM Units the distinction is relatively immaterial.</p> <p>The same issue exists for GSP Group Take at transmission level, which does not consider individual GSPs or circuits which might be flowing in opposite directions in the same half-hour when determining the net flow to which aggregate measurements at SVA registered sites within distribution should be corrected. The materiality of this is more significant and growing.</p> <p>The data for SVA BM Units includes adjustments to correct for profile errors, unmetered flows, unmeasured flows, inaccurate losses assumptions and other measurement uncertainties, to the net GSP Group Take. As such, the gross corrected flows determined for individual consumption component classes, suppliers and Trading Units within distribution are necessary approximations. The errors associated with this are probably relatively minor, but growing export, an absence of export metering on many small sites, and GSP Group correction to aggregate net GSP Group Take may increasingly distort estimated allocations of flows to or from the transmission system.</p> <p><b>Comments on proposed Housekeeping Changes</b></p> <p>For Table X-2, System Buy Action, the acronym should be QSB<sup>w</sup>, and the units should be MWh.</p> <p>For Table X-2, System Sell Action (QSS<sup>w</sup>), the units should be MWh.</p>

Question 3: Do you agree with the Workgroup's approach to reporting Trading Unit generation and demand volumes in each Settlement Period?

### Summary

Yes	No	Neutral/No Comment	Other
5	0	0	0

### Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	-
E.ON UK Plc	Yes	Yes this approach allows transparency in information disclosure which helps the customers choose the right contract. A downloadable .CSV format will allow suppliers and customers to easily extract information they need for analysis.
Drax Power Limited	Yes	We believe the method will improve the accuracy of the reporting. Provided a proper explanation of this approach is offered, it will allow for the robust interpretation of the published data.
Everis Consultancy Ltd on behalf of ScottishPower Group	Yes	-
EDF Energy	Yes	Yes, noting that the proposal will actually report estimates of gross export and import, not true generation and consumption/demand.

Question 4: Do you believe that the information reported under P321 should also be made available to download through the ELEXON Portal?

### Summary

Yes	No	Neutral/No Comment	Other
1	3	0	1

### Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	-
E.ON UK Plc	No	No because publication on Electron Portal will incur additional work on the existing data resulting extra cost. We don't find this level of work very beneficial and suggest saving the cost.
Drax Power Limited	No	For the purposes Drax envisages for this data, the publication of results on the Elexon Portal seems unnecessary. However, if other responses deem this advantageous then we would be happy for this to be taken forward provided it can be delivered at a reasonable cost.
Everis Consultancy Ltd on behalf of ScottishPower Group	No	There doesn't seem to be a convincing argument as to why the data needs to be on both. Looking at the profile of the type of user that this data is aimed at, they are typically going to be account managers in customer organisations who will access this information at the most once or twice a year when it is time to renegotiate their supply contract. It therefore makes more sense to place the data on the publicly accessible BMRS where it can be accessed infrequently rather than adding additional cost by also adding it to the Portal.
EDF Energy	-	Yes, but subject to confirmation of detailed solutions and costs. See comments in response to question 1. Ideally, data to be made independently available to consumers would be freely available on BMRS. However, the volume of data concerned, and the probable requirement for it to be easily downloadable in order to be used, may make it more practical to be published on the Elexon Portal. Consumers are unlikely to have Tibco capability. Costs for either or both options should be identified.

Question 5: Do you believe that P321 should be extended to include reporting on individual Grid Supply Points?

**Summary**

Yes	No	Neutral/No Comment	Other
1	4	0	0

**Responses**

Respondent	Response	Rationale
SmartestEnergy	No	Given the likelihood of upcoming proposals from NGT to introduce charging for exporting GSPs this could be useful for customers and suppliers alike. We are slightly concerned, however, that the amount of data on the website may be somewhat unwieldy. This should also not be taken as an indication that we believe NGT should be introducing charging for exporting GSPs to anyone other than the DNOs. Indeed, as the charging for exporting GSPs should be between NGT and DNOs direct, it could be argued that making the data available should not fall to BSC Parties at this pre-emptive stage.
E.ON UK Plc	No	No because we think further information disclosure on individual Grid Supply Point will trigger discussions around commercial sensitivity, TUNoS charging methodology and embedded generation etc. These are out of scope of P321 which is there to help customers assess their bills so that they can decide which supply contract to choose from. We hence suggest a separate modification to be raised by the Transmission owner to focus on those issues.
Drax Power Limited	Yes	Drax believes the reporting of individual GSPs would allow for more efficient Generator dispatch decisions and efficient price formation due to an increased knowledge of GSP export capability, i.e. whether it is off-taking or delivering, thereby better facilitating ABO (c). National Grid may also be able to learn and understand locational system operational requirements that present themselves thereby potentially better facilitating ABO (b).  In addition, the inclusion of reporting of individual Grid Supply Points (GSPs) would ease the administrative burden for the industry in the event that National Grid's <i>Review of Embedded Generation Benefits</i> were to progress to modification. This would better facilitate ABO (d), but clearly the

Respondent	Response	Rationale
		benefit will become more certain as National Grid furthers their work on exporting GSPs.
Everis Consultancy Ltd on behalf of ScottishPower Group	No	The rationale for this modification is that it will aid customer choice in choosing the type of contract to agree with their Supplier. A simple (and cheap) solution is required here to better the applicable Objectives, as the arguments, while convincing, are not overwhelming. If changes are sought to the TNUoS methodology then corresponding changes can be made to the BSC at the same time as they are being made to the CUSC – indeed, we cannot be absolutely certain what the final methodology will look like.
EDF Energy	No	With significant growth of embedded generation, the magnitude and direction of flows at individual Grid Supply Points are becoming increasingly important for system operation and charging, and are a valid subject for consideration. However, the issues are much wider than BSC Trading Unit status, and should be considered under separate dedicated proposals. Note that registration of a meter for the purpose of settlement within a distribution system and GSP Group does not currently explicitly identify a particular GSP or subset of GSPs associated with that meter.

Question 6: Do you agree that there are no other potential Alternative Modifications within the scope of P321 that would better facilitate the Applicable BSC Objectives compared to the Proposed Modification?

## Summary

Yes	No	Neutral/No Comment	Other
4	0	0	1

## Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	We agree that the P276 data should be considered under P315.
E.ON UK Plc	Yes	Yes because this approach resolves the problems addressed by P321 in a cost-effective way.
Drax Power Limited	Yes	We are currently unaware of any such Alternative.
Everis Consultancy Ltd on behalf of ScottishPower Group	Yes	-
EDF Energy	Unsure	Unsure how easily the volume of data to be usefully published can be supported on BMRS, and whether alternative solutions using subsets of Trading Units or using the Elexon Portal should be considered.

## Question 7: Do you agree with the proposed implementation approach?

### Summary

Yes	No	Neutral/No Comment	Other
4	0	0	1

### Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	-
E.ON UK Plc	Yes	Yes, given that the information is already available and only requires some system work to make it published on the BMRS website the scope of work shouldn't be too wide. Hence the proposed implementation date of 30 June 2016 should be achievable.
Drax Power Limited	Yes	Yes it seems sensible.
Everis Consultancy Ltd on behalf of ScottishPower Group	Yes	-
EDF Energy	-	If this means the timetable: There should be no direct impact on participant systems, so implementation as soon as efficiently possible following approval, suggested as 22 weeks for BMRS or 29 weeks to include the Elexon Portal, seems sensible.

## Question 8: Will P321 impact your organisation?

### Summary

Yes	No	Neutral/No Comment	Other
3	2	0	0

### Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	We will certainly make use of data on the BMRS and in time could start to use data on the Portal.
E.ON UK Plc	Yes	Yes because E.ON has a supply business hence P321 will have impact on E.ON as much as the proposer.
Drax Power Limited	Yes	In order to process the data there will be some small IT systems changes. There will be no other foreseeable impact.
Everis Consultancy Ltd on behalf of ScottishPower Group	No	-
EDF Energy	No	There would be no direct impact on our systems or processes, though we will be considering possible uses of the data to improve internal reporting and forecasting, and for providing advice to customers.



## Question 9: Will your organisation incur any costs in implementing P321?

### Summary

Yes	No	Neutral/No Comment	Other
1	4	0	0

### Responses

Respondent	Response	Rationale
SmartestEnergy	No	Any costs we incur to develop systems to read-in Portal data will be as a result of our own commercial decision making.
E.ON UK Plc	No	Not aware of at this stage
Drax Power Limited	Yes	Minor implementation costs of the IT systems changes mentioned in the answer to question 8.
Everis Consultancy Ltd on behalf of ScottishPower Group	No	-
EDF Energy	No	No material costs imposed directly as a result of the proposal.

Question 10: Do you agree that P321 meets the Self-Governance Criteria and so should be progressed as a Self-Governance Modification?

**Summary**

Yes	No	Neutral/No Comment	Other
5	0	0	0

**Responses**

Respondent	Response	Rationale
SmartestEnergy	Yes	-
E.ON UK Plc	Yes	Yes because we believe P321 has no material impact on participants. The additional information disclosed is to correct the misleading message given to the customers. In addition given that it is at a Grid Supply Point group level it should not cause debate on the commercial sensitivity of each individual Grid Supply Point.
Drax Power Limited	Yes	We believe the Self-Governance criteria to have been met. While P321 has effects on competition, we believe they aren't sufficiently material to prevent the use of Self-Governance. Moreover, P321 does not discriminate against any party.
Everis Consultancy Ltd on behalf of ScottishPower Group	Yes	We agree that, as participants should not be impacted by P321, it should be progressed as self-governance
EDF Energy	Yes	There should be no direct material impact on BSC Parties and the central implementation costs are modest. The impact on consumers, system operation, and competition is small but expected to be positive. Self-governance seems appropriate in this case. We do not share the concerns some parties may have over increased transparency of export and import activities, given the importance of the separate activities of generation and demand to system and market operation.

## Question 11: Do you have any further comments on P321?

### Summary

Yes	No
2	3

### Responses

Respondent	Response	Comments
SmartestEnergy	Yes	How are the base trading units (and potentially the GSPs) going to be labelled on BMRS? It is important if this is for customer use that a meaningful geographic label is used.
E.ON UK Plc	No	-
Drax Power Limited	Yes	Drax encourages the modification workgroup to add a requirement in the legal text that requires Elexon to provide a GSP boundary map upon implementation. It would be beneficial to show the boundaries in relation to Transmission Zones. This would ensure clarity of the data that is published and is not resource intensive.
Everis Consultancy Ltd on behalf of ScottishPower Group	No	-
EDF Energy	No	No further comments at this time.