

Phase

[Initial Written Assessment](#)[Definition Procedure](#)[Assessment Procedure](#)[Report Phase](#)[Implementation](#)

P321 'Publication of Trading Unit Delivery Mode'

P321 proposes to publish information on the direction of delivery (delivering or offtaking) of Trading Units in each Settlement Period. The Proposer is seeking for this to be explicitly provided to give customers better access to this information.

This Assessment Procedure Consultation for P321 closes:

5pm on Friday 7 August 2015

The Workgroup may not be able to consider late responses.



P321 Workgroup members initially consider that P321 should be **approved**

This Modification is expected to impact:

- The Balancing Mechanism Reporting Agent (BMRA)
- The Settlement Administration Agent (SAA)
- The Supplier Volume Allocation Agent (SVAA)

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About This Document

The purpose of this P321 Assessment Procedure Consultation is to invite BSC Parties and other interested parties to provide their views on the merits of P321. The P321 Workgroup will then discuss the consultation responses, before making a recommendation to the BSC Panel at its meeting on 10 September 2015 on whether or not to approve P321.

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 P321.
- Attachment B 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.

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Why Change?

A Trading Unit's delivering/offtaking status (its 'delivery mode') impacts the allocation of various BSC and non-BSC charges, which some Suppliers pass on to their customers. However, there is no explicitly-provided information on whether a Trading Unit is delivering or offtaking in a given Settlement Period. The Proposer contends that this lack of visibility can hinder customers' ability to independently verify their bills or assess which type of contract is right for them.

Solution

P321 proposes to publish each Trading Unit's delivery mode, gross generation volume and gross demand volume for each Settlement Period on the BMRS website.

Impacts & Costs

P321 will impact the Balancing Mechanism Reporting Agent (BMRA), the Settlement Administration Agent (SAA) and the Supplier Volume Allocation Agent (SVAA), with central implementation costs of approximately £105k.

No impact is anticipated on BSC Parties or Party Agents to implement P321.

Implementation

P321 is proposed for implementation on **30 June 2016** as part of the June 2016 BSC Systems Release.

Workgroup's initial views

Workgroup members initially consider that P321 would better facilitate Applicable BSC Objectives (b) and (c) and so should be **approved**.



What is a Trading Unit?

A Trading Unit is a collection of one or more Balancing Mechanism (BM) Units that have been grouped together in one of the following ways:

- Each Grid Supply Point (GSP) Group has a Base Trading Unit associated with it, and all Supplier BM Units within that GSP Group are automatically allocated to this Trading Unit.
- Other BM Units can elect to form their own Trading Unit in accordance with [BSC Section K 'Classification and Registration of Metering Systems and BM Units'](#).
- Any BM Unit that is not allocated to a Base Trading Unit or elects to join another Trading Unit is deemed a Sole Trading Unit (a Trading Unit consisting of only one BM Unit).

A BM Unit can only belong to one Trading Unit at any given time.

BM Units within a Trading Unit can realise certain benefits from being considered collectively, in particular the determination of the Production/Consumption (P/C) Flag and delivering/offtaking status for each BM Unit within the Trading Unit.

Impact on the Production/Consumption Flag

Many BM Units in a Trading Unit will have their P/C Flag set based on the Generation and Demand Capacities (GC/DC) of each BM Unit in the Trading Unit, with all BM Units taking the same Flag. Exceptions are Supplier and Interconnector BM Units, whose P/C Flags are fixed, and Exempt Export BM Units, whose P/C Flags are set by the Lead Party.

This Flag is predominantly used to determine which Energy Account the BM Unit's Metered Volumes are allocated to, meaning that Lead Parties of generation sites can net the Metered Volumes from both their generation and demand BM Units into a single Energy Account.

A BM Unit's P/C Flag applies on an enduring basis, and is only re-determined when the GC/DC values of BM Units within the Trading Unit are re-declared. The P/C Flag of each BM Unit is reported in numerous places, such as through the complete list of [Registered BM Units](#) on the ELEXON Portal.

Impact on delivering/offtaking status

In a particular Settlement Period a Trading Unit is treated as:

- **delivering** if the sum of the Metered Volume of all the BM Units within the Trading Unit is positive; or
- **offtaking** if the sum of the Metered Volume of all the BM Units within the Trading Unit is negative or zero.

All BM Units in that Trading Unit are then treated as delivering or offtaking based on the Trading Unit's net position, and all will take this same status irrespective of individual performance.

Further information

Further information on **BM Units** and **Trading Units** can be found on the [BM Units](#) and [Trading Units](#) pages of our website.

This affects the following areas:

- The application of Transmission Loss Multipliers (TLMs), which are applied to each BM Unit based on its delivering/offtaking status in the relevant Settlement Period. This affects whether the BM Unit's Metered Volumes are increased (when the Trading Unit is offtaking) or decreased (when delivering) in magnitude to account for losses on the Transmission System.
- The calculation of:
 - certain BSC Funding Shares used to allocate BSC Company (BSCCo) Charges;
 - Residual Cashflow Reallocation Cashflow (RCRC) charges; and
 - Balancing Services Use of System (BSUoS) charges

are all affected by whether a Party's Metered Volumes originated from delivering or offtaking Trading Units.

Unlike the P/C Flag, a BM Unit or Trading Unit's delivering/offtaking status is calculated on a Settlement Period basis, and is not explicitly reported anywhere. Instead, a Trading Unit's delivering/offtaking status can be inferred from other sources such as which TLM was applied to the BM Units within the Trading Unit.

It should be noted that delivering/offtaking status is determined independently from the P/C Flag, and so it is possible for a Production BM Unit to be deemed offtaking in an individual Settlement Period, or vice versa.

What is the issue?

The Proposer highlights the recent trend for some Base Trading Units to change from net offtaking to net delivering in some Settlement Periods. They believe that this event is likely to become more regular and occur in more GSP Groups as the levels of embedded generation increases. They note the effects that a Trading Unit's delivering/offtaking status can have on some charges, and highlight that under some contractual arrangements Suppliers pass these charges on to the customer.

The Proposer considers that there is a lack of transparency for end customers as to whether a Trading Unit was delivering or offtaking in a Settlement Period, and that this can make it difficult for them to verify any bills that the Supplier passes on to them. This lack of transparency could also hinder a customer in making informed decisions on whether to take a fixed or pass-through contract with a Supplier. The Proposer believes that a Trading Unit's delivering/offtaking status should be easily accessible to such end customers.



Further information

Further information on the calculation and application of **TLMs** can be found on the [Losses](#) page of our website.

Further information on the calculation and allocation of **RCRC** can be found on the [Trading Charges](#) page of our website.

Proposed solution

P321 'Publication of Trading Unit Delivery Mode' proposes to publish information on whether each Trading Unit was net delivering or net offtaking (its delivering/offtaking status, which will be referred to as its 'delivery mode' under P321) in each Settlement Period, updated at each Settlement Run. Under the proposed solution, the delivery mode, the gross generation volume and the gross demand volume for each Trading Unit will be provided. This will enable a user to assess the Trading Unit's direction and how close this may have come to changing.

For Supplier BM Units, the gross generation and demand volumes will be determined using volumes at the Consumption Component Class (CCC) level. For all other types of BM Unit, the BM Unit Metered Volume will be used. These volumes would all be aggregated to produce a Trading Unit Generation Volume and a Trading Unit Demand Volume, and it is these volumes that would be reported.

This information will be published on the Balancing Mechanism Reporting Service (BMRS), and will be available for users of the website to download in both .csv (Comma Separated Values) and XML (Extensible Markup Language) format. The BMRS will provide this information for all Trading Units, including Sole Trading Units.

To assist end customers in determining which GSP Group they are in, a map of Great Britain will be produced that will show the GSP Group boundaries in relation to key landmarks such as major cities. This map will also be published on the BMRS and available to download in .pdf (Portable Document Format) format.

Legal text

The proposed changes to the BSC to deliver P321 can be found in Attachment A.

We have taken this opportunity to include some housekeeping changes identified within the Code Sections impacted by P321, which can also be found in Attachment A. If P321 is approved, these housekeeping changes would be made as part of its implementation.

Assessment Consultation Question

Do you agree that the draft legal text in Attachment A delivers the intention of P321?
Please provide your rationale.

The Workgroup invites you to give your views using the response form in Attachment B

Progression as a Self-Governance Modification

The Workgroup believes that P321, as it is currently formed, would not have any material impacts on participants and so would meet the Self-Governance Criteria. It therefore considers that P321 should be progressed as a Self-Governance Modification.



What are the Self-Governance Criteria?

A Modification that, if implemented:

- (a) is unlikely to have a material effect on:
 - (i) existing or future electricity consumers; and
 - (ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution, or supply of electricity; and
 - (iii) the operation of the national electricity transmission system; and
 - (iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and
 - (v) the Code's governance procedures or modification procedures; and

- (b) is unlikely to discriminate between different classes of Parties.

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Assessment Consultation Question

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

Please provide your rationale with reference to the Self-Governance Criteria.

The Workgroup invites you to give your views using the response form in Attachment B

Are there any alternative solutions?

The Workgroup has considered several potential alternative solutions to P321. At this stage, the Workgroup has not put forward any Alternative Modification, but seeks the views of respondents to this consultation on two particular options that it considers could form such a solution. The Workgroup will then decide whether or not to formally raise one of them as an Alternative Modification once it has considered the responses to this consultation.

This section summarises the Workgroup's potential alternative solutions. The Workgroup's detailed discussions on each option can be found in Section 6.

Making the information available on the ELEXON Portal

In addition to being published on the BMRS, the Workgroup has considered making the information proposed by P321 available to download through the ELEXON Portal. Under this approach, the data uploaded to the BMRS each day would also be consolidated into a single .csv file that would be zipped and published on the ELEXON Portal. Users of the Portal would then be able to download these files for use within their systems.

The Proposer is open to including this option under the Proposed Modification if there is sufficient support for this from the wider industry.

Assessment Consultation Question

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

Please provide your rationale.

The Workgroup invites you to give your views using the response form in Attachment B

Extending the solution to include individual Grid Supply Points

Following the central systems impact assessment, the Transmission Company representative proposed extending the solution to also report the delivery mode and associated generation and demand volumes for individual GSPs. They note that the Transmission Company has considered reflecting exporting GSPs in the Transmission Network Use of System (TNUoS) methodology, which would require charging arrangements to be at the GSP level in order to be properly cost reflective. They believe that extending P321 to include individual GSPs would facilitate this, and consider that it would be more efficient to include this under P321 rather than raise a separate change that would likely be implemented at a later date.

The Workgroup has considered this option and has elected to seek the views of the wider industry before deciding whether this should form an Alternative Modification.

Assessment Consultation Question

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

Please provide your rationale.

The Workgroup invites you to give your views using the response form in Attachment B

Other solutions considered by the Workgroup

The Workgroup initially believed that, in addition to making the gross generation and demand volumes at a Trading Unit level available, it would be beneficial to also publish the information contained in the [D0276 'GSP Group Consumption Totals Report'](#) data flow on the ELEXON Portal. This would allow BSC Parties and other participants the ability to 'drill down' into the data behind the Trading Unit level volumes should they wish.

However, the Workgroup noted that publication of this information is already being considered under Proposed Modification [P315 'Publication of Gross Supplier Market Share Data'](#), and that the development of a solution is at a far more advanced stage under that Modification. The Workgroup also noted considerations under P315 around making this data available, such as whether a licence was needed for it, and felt that its inclusion in P321 could add unnecessary complexity to what should be a fairly straightforward change. The Proposer highlighted that this level of information was far beyond what they had sought from P321, and elected not to include it in the Proposed Modification. The Workgroup subsequently agreed not to progress this option any further.

The Workgroup has not considered any further options that could form an Alternative Modification that would better facilitate the Applicable BSC Objectives compared to the Proposed Modification.

Assessment Consultation Question

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?

Please provide your rationale and, if 'No', please provide full details of your Alternative Modification(s) and your rationale as to why it/they would better facilitate the Applicable BSC Objectives than the Proposed Modification.

The Workgroup invites you to give your views using the response form in Attachment B

Estimated central implementation costs of P321

The central implementation costs of P321 are approximately £105k. These costs would be incurred in making the necessary changes to BSC Agent systems and the BMRS to calculate and publish the information sought by P321. There are no on-going costs associated with P321.

Should the option to also publish the information on the ELEXON Portal be progressed, the central implementation costs would increase to approximately £135k. At this stage, the central costs for expanding the solution to include individual GSPs have not been obtained, but will be assessed in parallel with this consultation.

Indicative industry costs of P321

The implementation of P321 is not expected to require any effort from any BSC Party or Party Agent, as all the changes will be to central systems. Equally, no on-going costs or impacts from industry participants are anticipated. However, the Workgroup seeks confirmation of this through this Assessment Consultation.

Assessment Consultation Questions

Will P321 impact your organisation?

If 'Yes', please provide a description of the impact(s) on your organisation and any activities which you will need to undertake between the approval of P321 and the P321 Implementation Date (including any necessary changes to your systems, documents and processes). Where applicable, please state which of the roles that you operate as will be impacted and any differences in the impacts between each role.

Will your organisation incur any costs in implementing P321?

If 'Yes', please provide details of these costs, how they arise and whether they are one-off or on-going costs.

The Workgroup invites you to give your views using the response form in Attachment B

P321 impacts

Impact on BSC Parties and Party Agents

None anticipated.

Impact on Transmission Company

None anticipated.

Impact on BSCCo

None anticipated.

Impact on BSC Systems and process	
BSC System/Process	Impact
BMRA/BMRS	The BMRA will be required to publish Trading Unit Delivery Modes and Generation and Demand Volumes on the BMRS.
SAA	The SAA will be required to calculate Trading Unit Generation and Demand Volumes and submit these to the BMRA.
SVAA	The SVAA will be required to submit Corrected Component values to the SAA for use in calculating Trading Unit Generation and Demand Volumes.

Impact on Code	
Code Section	Impact
Section S Annex S-2	Changes will be required to deliver the proposed solution. <i>The proposed changes can be found in Attachment A.</i>
Section T	
Section V	
Section X Annex X-2	

Impact on Code Subsidiary Documents	
CSD	Impact
BMRA Service Description	Changes may be required to these documents for P321. <i>We are intending to prepare the Code Subsidiary Document changes for inclusion in the Assessment Report. The Panel can then consult upon these as part of the Report Phase Consultation before approving the changes when it considers the Draft Modification Report.</i>
SAA Service Description	
SVAA Service Description	
BMRA User Requirement Specification	
SAA User Requirement Specification	
SVAA User Requirement Specification	

Recommended Implementation Date

The P321 Workgroup proposes the following implementation approaches depending on whether P321 is progressed as a Self-Governance Modification:

- If P321 **is** progressed as a Self-Governance Modification then the Panel is currently expected to make the final decision at its meeting on 8 October 2015. If this is the case then the Workgroup recommends an Implementation Date for P321 of **30 June 2016** (June 2016 Release).
- If P321 **is not** progressed as a Self-Governance Modification then the Final Modification Report is currently expected to be issued to the Authority for decision by mid-October 2015. If this is the case then the Workgroup recommends an Implementation Date for P321 of **30 June 2016** (June 2016 Release) if the Authority's decision is received on or before 28 January 2016.

These dates are based on the lead time for the central system changes, which has been assessed at 22 weeks for the proposed solution. This means that the June 2016 Release is the earliest viable Release that can be targeted.

Should the option to also publish the information on the ELEXON Portal be progressed, the central lead time would increase to 29 weeks, but it would still be possible to implement this solution in the June 2016 Release. At this stage, the central lead times required if the solution was expanded to include individual GSPs have not been assessed, but will be sought in parallel with this consultation.

P321 is not expected to require implementation effort from any BSC Parties or Party Agents.

Assessment Consultation Question

Do you agree with the proposed implementation approach?

Please provide your rationale.

The Workgroup invites you to give your views using the response form in Attachment B

Why is this information required?

The Proposer noted that the reason for seeking this information was to better enable customers to make decisions on whether to take a fixed contract or a pass-through contract and to assess which type of contract was better for them based on how frequently a given Base Trading Unit's delivery mode would change from net offtaking to net delivering. Under a fixed contract, a customer's bills are fixed irrespective of what the Trading Unit does, but under a pass-through contract any embedded benefits from a Trading Unit changing delivery mode would be passed through to the customer. However, the Proposer believes that there is not currently an independent source of information available to customers on the direction of a Trading Unit in a given Settlement Period, which also hinders their ability to independently verify the bills issued by their Supplier. They highlighted that it has only been in the last couple of years that the issue of Base Trading Units changing delivery mode has become an issue, considering that this is likely due to embedded generation on the Distribution System.

The Proposer noted that they were most interested in ensuring that information for the Base Trading Units was provided, as these are the key Trading Units for customers to have visibility of. However, they felt that expanding the solution to include all Trading Units would ensure completeness in reporting. The Workgroup considered whether people would be interested in Trading Units other than the Base Trading Units, but felt it would be more transparent to include all Trading Units and would future-proof the solution.

To facilitate further transparency, the Workgroup also considered whether historic data from before the P321 Implementation Date could be included when P321 went live. ELEXON assessed this possibility, but noted that the information needed to produce such historic data is not stored in an easily accessible format. This is because the relevant data is only needed by central systems at the time the calculations are made, and it then gets archived to save space. As a result, calculating historical information would be a highly manual task that would increase the cost and lead time of the solution. The Proposer felt that while historical information would be good, they were content with only having data for the P321 Implementation Date onwards.

One Workgroup member believed that it would be beneficial to also produce a map of Great Britain showing the GSP Group boundaries in relation to key locations such as major cities. This would enable a customer to better identify which GSP Group they were in so they could look at the right Base Trading Unit's information. They noted that a lot of the maps currently available show boundaries in relation to power stations, which makes it much harder for a customer to orientate. The Workgroup agreed that such a map should be produced, although another member commented that a customer could just contact their Supplier for this information, which they would only need to do once. It was considered that customer service departments already receive these queries.

Should Trading Unit generation and demand volumes be shown?

The Workgroup noted that information on the Trading Unit's delivery mode (i.e. whether the Trading Unit was delivering or offtaking) was a mandatory part of the Proposer's proposed solution, but that they also considered the inclusion of gross generation and demand volumes to be desirable, to allow users to see how close a Trading Unit came to changing delivery mode. The Workgroup agreed that including these volumes would be beneficial.

The Workgroup considered whether the net Trading Unit Metered Volume, as reported in the SAA-I014 'Settlement Report' flow, should be used, or whether the volumes should be split into generation and demand volumes. Members felt that the net volume would not show enough information about how close a Trading Unit came to changing delivery mode. In this scenario, it would not be possible to assess whether a net volume close to zero was due to large but fairly equal volumes of generation and demand or whether there was simply a very small volume of energy to begin with. Only by splitting the volume into its generation and demand components would it be possible to assess this.

It was believed that gross generation and demand volumes could not simply be calculated by summing positive and negative values of BM Unit Metered volumes respectively, due to the way the Metered Volumes for Supplier BM Units are calculated. Should a Supplier BM Unit's Metered Volume be taken, as reported in the SAA-I014 flow, this would be net of all consumption and embedded generation within the BM Unit. This would mean that both the generation and demand volumes reported for a given Base Trading Unit would both be too small in magnitude, albeit by the same volume.

As an example, consider a Supplier BM Unit with three importing Metering Systems each consuming 50MWh and one embedded generation Metering System generating 50MWh in a given Settlement Period. This means that, in reality, the BM Unit contains 150MWh of demand and 50MWh of generation. However, the BM Unit's Metered Volume would be reported as 100MWh of demand (and zero generation), as the volumes of all four Metering Systems would ultimately be netted to produce this single volume. By using the BM Unit Metered Volume, both the gross generation and gross demand value reported for the relevant Trading Unit would be 50MWh smaller in magnitude than they should actually be.

This issue would not occur for other types of BM Units. This is because Directly Connected and Embedded BM Units tend to consist of only a single Central Volume Allocation (CVA) registered Metering System, while Interconnector BM Units come in pairs with generation and demand volumes allocated to separate BM Units. This means there are no issues with generation and demand volumes netting off within a BM Unit and so the BM Unit Metered Volumes can be used.

To mitigate the issue with Supplier BM Units, it was agreed that the calculation would involve splitting Supplier BM Unit Metered Volumes into generation and demand using volumes at the CCC level, as one of the ways that CCCs are split is by whether they contain consumption or Supplier Volume Allocation (SVA) generation. For each Base Trading Unit, the Supplier BM Unit generation and demand volumes would be obtained by adding up the 'active export' CCC volumes and 'active import' CCC volumes respectively. These volumes would then be added to the relevant volumes from non-Supplier BM Units to produce the total generation and demand volumes for the Trading Unit. It would only be these final totals that would be reported. This will improve the accuracy of the Trading Unit volumes reported.



What is a Consumption Component Class?

A CCC is used to split Consumption into groups determined by combinations of various elements, such as whether the Consumption was import or export, half hourly or non-half hourly, or metered or unmetered. Each SVA Metering System will be allocated to an appropriate CCC.

The full list of CCCs can be found in BSC Section X Annex X-2 Table X-8.

Assessment Consultation Question

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

Please provide your rationale.

The Workgroup invites you to give your views using the response form in Attachment B

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Should more detailed underlying information be provided?

A couple of Workgroup members felt that it would be useful to provide more granular underlying information alongside the Trading Unit level volumes. This would allow users to be able to 'drill down' into the data should they wish, to assess for themselves how the overall volumes were composed. The Workgroup noted the D0276 data flow, which reports the Metered Volumes within each GSP Group at the CCC level, and which is currently issued to Suppliers. It was considered whether the contents of this flow should be made available to other users.

The Proposer noted that the intent of P321 was to enable customers to be able to easily access information on the Trading Unit delivery mode for use in validating their bills. They considered that the contents of the D0276 data flow was far more than they had intended to be made available under P321, and felt that this should not be included in the proposed solution. A concern was also raised as to whether P321 was at risk of 'incremental creep', with increasing amounts of additional data being added beyond the core solution requirements. If too much data was included or the solution over-engineered then this could risk over-complicating the core solution and rendering it meaningless. The Workgroup was encouraged to focus on what it was that P321 was seeking and the intended audience for this information.

Workgroup members felt that the detailed information would be of more use to users such as account managers looking at contracts. However, members felt that the organisations of such users could develop internal IT processes now to derive this information from existing sources should they so wish. They again noted that the intent of the Modification is to allow customers access to an independent source of data on Trading Unit delivery mode, especially in areas where this is likely to change more frequently.

One member queried whether the core information could be available on the BMRS with the underlying data available through a separate downloadable file. The Workgroup assessed the option to include the information from D0276 data flows as a single downloadable file available via the ELEXON Portal, and noted that this would incur an additional cost of around £30k when added to the proposed P321 solution.

However, members noted that publication of the data from D0276 data flows is already being considered under P315, and that the development of a solution is much further developed under that Modification. Furthermore, it was highlighted that there were many areas that the P315 Workgroup had needed to consider in the development of the solution that suggested that it may not be as simple as first considered. In particular, the P315 Workgroup had considered who should be able to access the data and whether licences were needed for non-BSC Parties who wanted to receive the data. These areas would also need to be considered by the P321 Workgroup if it was to be included as part of P321.

The P321 Workgroup concluded that while the additional information from D0276 data flows was desirable, it did not consider it appropriate to further develop this option under P321 as it could add too much complexity to what should otherwise be a straightforward change. Instead, should P315 be rejected but participants still believe there is benefit in having the data from the D0276 data flows publically available, a BSC Party could raise a further BSC change to progress that solution separately.

Where is the most appropriate place to publish this information?

The Workgroup agreed that the core information sought by P321 should be published on the BMRS website, with the option for users to download this data in .csv and XML formats. The BMRS is the main reporting website for BSC-related information, and the Workgroup agreed that the information that P321 would provide should be added to this website.

The Workgroup also considered whether data should be made available through the ELEXON Portal. They explored a Portal-based solution that would act as an add-on to the P321 proposed solution. Under this option, the data would continue to be published on the BMRS as proposed, but the information would also be made available to download as daily .csv files from the ELEXON Portal.

Some Workgroup members were unconvinced that a Portal-based solution was necessary or would provide any value for the extra costs that it would incur, and noted that users would need to log in to the Portal to be able to access this information. They felt that having just the BMRS-based solution would be the best option. Other members felt it would be beneficial to assess the option and the appetite for it before deciding whether or not to include it.

The Proposer and the Workgroup have therefore elected to seek the views of respondents to the Assessment Consultation on whether making the information on Trading Unit delivery mode available on the ELEXON Portal would be useful. They will then make a decision on whether this option should be added to the P321 proposed solution, raised under an alternative solution or discarded.

Should the solution be expanded to include individual Grid Supply Points?

The Transmission Company representative highlighted to the Workgroup National Grid's evolving proposals regarding reflecting exporting GSPs in the TNUoS methodology. These proposals have been progressed as part of National Grid's [Review of Embedded \(Distributed\) Generation Benefit](#) and have been presented to the Transmission Charging Methodology Forum (TCMF) on a number of occasions. The representative noted that any such charging arrangement would have to be at the GSP level to be properly cost reflective, and believes that this is likely to be progressed later on in 2015.

The representative put forward a potential alternative solution that would extend the publication of the gross generation and demand data proposed by P321 down to the lower granularity of individual GSPs. Should any changes to the TNUoS methodology for charging exporting GSPs be progressed under the Connection and Use of System Code (CUSC), customers will need to see the GSP's imports and exports to help validate any such charges. They considered that including this change now as part of P321 would future-proof the publication of data and be more efficient than raising a further BSC Modification at a later date. Other Workgroup members considered that this seemed a sensible approach, as making all the changes in one go would likely result in cost-savings compared to extending the solution at a later date.

One member queried whether this could cause competition issues should a particular GSP have only one or a small number of sites connected to it. If this was the case, it may be possible for users to infer the performance of those specific customers from this information. Another member felt that this is likely to be an issue only in North Scotland

and possibly the South-West, and considered that many such sites would already need to be reported on individually under other obligations.

Since the meeting, the Transmission Company representative has confirmed that there are no GSPs with only a single customer, and that a GSP, by its nature, serves multiple customers. If a GSP did serve only a single customer then that would make that customer a directly connected Transmission customer.

The Workgroup was asked whether this could be another case of 'incremental creep', and also whether including the reporting of GSPs' delivery mode under P321 could be seen as pre-empting any decision on the TNUoS methodology changes. However, members felt it would be beneficial to seek respondents' views on including this information under P321 as part of the Assessment Consultation, and to take a decision once the Workgroup has considered these responses. Even if this option is not taken forward under P321, the information obtained now would help inform any future change that may get raised.



Workgroup's initial views

As the Workgroup was not quorate when it met to give its initial recommendations, it was unable to put forward a formal initial recommendation for P321. However, all Workgroup members present at the meeting believed that P321 **would** better facilitate the Applicable BSC Objectives compared to the current baseline and so should be **approved**. We subsequently contacted the Workgroup members absent from the meeting, and they all agree with this view.

The views given by the Proposer and by Workgroup members against the Applicable BSC Objectives are summarised below.

Proposer's views against the Applicable BSC Objectives

Applicable BSC Objective (b)

The Proposer believes that there is a lack of knowledge about the impact of the Trading Unit's delivery mode on embedded benefits. Publishing this information will make it easier for customers to engage with the market and make informed decisions about their generation or consumption. It should also assist in sending the right signals to encourage changes in behaviour, as generators, investors and developers should coordinate their generation or construction to maximise their embedded benefit. The Proposer considers that this will aid the balancing of the network.

Furthermore, investors in and developers of embedded generation will be able to make a more informed decision about the financial risks associated with connecting to certain GSP Groups. The pattern of development of embedded generation will therefore be more likely to evolve in a way consistent with balanced outcomes.

The Proposer also considers that the changing of the Trading Unit direction between delivering and offtaking is designed to provide a price signal to help better balance the network. However, as long as generators cannot predict or validate when this occurs, and given that knowledge of the process is insufficient, they believe this price signal will not have any impact.

Applicable BSC Objective (c)

The Proposer believes that knowledge of the likelihood of changes to the Trading Unit delivery mode will make it easier for customers to make informed decisions about opting between fixed and pass-through contracts. Suppliers have this information, so it is considered only fair that customers do too. However, because the information is either derived or part of a net BSUoS bill, it is not possible for Suppliers to point to an independent source of the data. Customers will be able to scrutinise their bills more effectively, which will help to boost their trust in their Supplier and prevent misunderstandings arising between them.

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]

(f) Implementing and administering the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation

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Workgroup's views against the Applicable BSC Objectives

All Workgroup members agree with the views and reasons put forward by the Proposer that P321 would better facilitate Applicable BSC Objectives (b) and (c), and no additional arguments were raised. Several Workgroup members stated that, while they agree that there is benefit under Applicable BSC Objective (b), they consider the arguments put forward under Applicable BSC Objective (c) to be the stronger arguments in support of P321.

Assessment Consultation Question

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

Please provide your rationale with reference to the Applicable BSC Objectives.

The Workgroup invites you to give your views using the response form in Attachment B

Appendix 1: Workgroup Details

Workgroup's Terms of Reference

Specific areas set by the BSC Panel in the P321 Terms of Reference

What additional information on each Trading Unit beyond its direction should be published?

In what format(s) and location(s) should the information be made available?

What changes are needed to BSC documents, systems and processes to support P321 and what are the related costs and lead times?

What is the appropriate Implementation Date for P321?

Are there any Alternative Modifications?

Should P321 be progressed as a Self-Governance Modification?

Does P321 better facilitate the Applicable BSC Objectives than the current baseline?

Assessment Procedure timetable

P321 Assessment Timetable

Event	Date
Panel submits P321 to Assessment Procedure	14 May 15
Workgroup Meeting 1	20 May 15
Central Impact Assessment	03 Jun 15 – 23 Jun 15
Workgroup Meeting 2	29 Jun 15
Assessment Procedure Consultation	10 Jul 15 – 07 Aug 15
Workgroup Meeting 3	12 Aug 15
Panel considers Workgroup's Assessment Report	10 Sep 15

Workgroup membership and attendance

P321 Workgroup Attendance			
Name	Organisation	20 May 15	29 Jun 15
Members			
Claire Kerr	ELEXON (<i>Chair</i>)	✓	✓
David Kemp	ELEXON (<i>Lead Analyst</i>)	✓	✓
Miles Macallister	SmartestEnergy (<i>Proposer's Representative</i>)	✓	✓
Dave Corby	National Grid (<i>Transmission Company Representative</i>)	✓	✓
Andy Colley	SSE	✓	✗
Lisa Waters	Waters Wye Associates	✓	✗
Delveer Johal	RWE npower	✓	☎
Gary Henderson	IBM	✓	✗
Lin Gao	E.ON	✓	✓
Attendees			
Max O'Connor	ELEXON (<i>Market Design Authority</i>)	✓	✗
Matthew McKeon	ELEXON (<i>Market Design Authority</i>)	✗	✓
Nanu Miah	ELEXON (<i>Technical Design Authority</i>)	✗	✓
Nick Brown	ELEXON (<i>Lead Lawyer</i>)	✗	✗
Rory Edwards	Ofgem	✗	✗
Francesca Scucces	National Grid	✓	✗
Antony Giblin	CGI (<i>BPO service provider</i>)	✓	☎

Appendix 2: Glossary & References

Acronyms

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

Acronyms	
Acronym	Definition
BM	Balancing Mechanism
BMRA	Balancing Mechanism Reporting Agent (<i>BSC Agent</i>)
BMRS	Balancing Mechanism Reporting Service
BSCCo	Balancing and Settlement Code Company (<i>Code Administrator; ELEXON</i>)
BSUoS	Balancing Services Use of System (<i>charge</i>)
CCC	Consumption Component Class
.csv	Comma Separated Values (<i>file format</i>)
CUSC	Connection and Use of System Code (<i>industry Code</i>)
CVA	Central Volume Allocation
DC	Demand Capacity (<i>parameter</i>)
GC	Generation Capacity (<i>parameter</i>)
GSP	Grid Supply Point
.pdf	Portable Document Format (<i>file format</i>)
RCRC	Residual Cashflow Reallocation Cashflow (<i>charge</i>)
SAA	Settlement Administration Agent (<i>BSC Agent</i>)
SVA	Supplier Volume Allocation
SVAA	Supplier Volume Allocation Agent (<i>BSC Agent</i>)
TCMF	Transmission Charging Methodology Forum (<i>industry group</i>)
TLM	Transmission Loss Multiplier (<i>value</i>)
TNUoS	Transmission Network Use of System (<i>charge</i>)
XML	Extensible Markup Language (<i>file format</i>)

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
D0276	GSP Group Consumption Totals Report

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
4	BSC Sections page on the ELEXON website	https://www.elexon.co.uk/bsc-related-documents/balancing-settlement-code/bsc-sections/
4	Registered BM Units page on the ELEXON Portal <i>(a free login account is required to view this page)</i>	https://www.elexonportal.co.uk/registeredbmunits
4	Balancing Mechanism Units page on the ELEXON website	https://www.elexon.co.uk/reference/technical-operations/balancing-mechanism-units/
4	Aggregation Rules and Trading Units page on the ELEXON website	https://www.elexon.co.uk/reference/technical-operations/metering/aggregation-rules-trading-units/
5	Losses page on the ELEXON website	https://www.elexon.co.uk/reference/technical-operations/losses/
5	Trading Charges page on the ELEXON website	https://www.elexon.co.uk/reference/credit-pricing/trading-charges/
6	P321 page on the ELEXON website	https://www.elexon.co.uk/mod-proposal/p321/
8	D0276 entry in the Data Transfer Catalogue	http://dtc.mrasco.com/DataFlow.aspx?FlowCounter=0276&FlowVers=2&searchMockFlows=False
8	P315 page on the ELEXON website	https://www.elexon.co.uk/mod-proposal/p315/
15	Review of Embedded (Distributed) Generation Benefit page on the National Grid website	http://www2.nationalgrid.com/UK/Industry-information/System-charges/Electricity-transmission/Transmission-Network-Use-of-System-Charges/Embedded-Benefit-Review/