

CP Progression Paper

CP1459 'Amendments to the process for performing a Post-Final Settlement Run'

ELEXON



Committee

Trading Disputes
Committee



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About This Document

This document provides information on new Change Proposal (CP) CP1459 and outlines our proposed progression timetable for this change, including when it will be issued for CP Consultation in the next suitable Change Proposal Circular (CPC) batch.

We are presenting this paper to capture any comments or questions from Trading Disputes Committee (TDC) Members on this CP before we issue it for consultation.

There are three parts to this document:

- This is the main document. It provides a summary of the solution, impacts, anticipated costs, and proposed implementation approach, as well as our proposed progression approach for this CP.
- Attachment A contains the CP1459 proposal form.
- Attachment B contains the proposed redlined changes to deliver the CP1459 solution.

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1 Why Change?

Current process

The Balancing and Settlement Code (BSC) Trading Disputes process is overseen by the TDC whose procedures are defined in [BSC Procedure \(BSCP\) 11 'Trading Disputes'](#).

When a Trading Dispute is upheld, the TDC will notify the relevant Parties and authorise that they rectify the Settlement Error. If the error cannot be corrected within the usual Settlement Run processes, then the TDC can determine that the error should be corrected in a Post-Final Settlement Run (PFSR).

CP1428

On 15 January 2015, RWE npower raised [CP1428 'Inclusion of Party Agents in the event of Post Final Settlement Runs'](#).

CP1428 sought to amend BSCP11 section 5.4 'Performing a Post-Final Settlement Run', to mandate that Suppliers inform both their Data Aggregator (DA) and Data Collector (DC) of the required corrective actions following a determination by the TDC.

The TDC approved CP1428 at its April 2015 meeting, and it was implemented on 25 June 2015 as part of the June 2015 BSC Release.

What is the issue?

This CP proposes changes to address two issues with the performing of the PFSR.

Issue 1: CP1428

The red-lining of CP1428 has not given the desired effect and has put an erroneous obligation on the Disputes Secretary (DS), rather than applicable Suppliers, to notify DCs and DAs of a TDC determination.

Issue 2: Concerns with process

This issue relates to concerns with the process, which have been identified through an upheld [Trading Dispute DA701](#) and by the Software Technical Advisory Group (STAG).

DA701

In 2015, the TDC upheld DA701. This related to a failure to progress corrective actions following a previous TDC determination. ELEXON believes that there is the potential that other failures to progress TDC determinations have gone undetected.

STAG

The STAG has also noted issues with when a PFSR is to be undertaken to action a Trading Dispute determination. It notes that it used to be the case that the PFSR was more

extensively used, covering all or most Grid Supply Point (GSP) Groups. This allowed DAs to schedule the PFSR for all GSP Groups on every Working Day (WD). Now, the TDC agrees on a monthly basis which PFSRs to run, so the whole year-ahead schedule is not fully known at the start of the year. This lack of forward visibility and uncertainty can increase the risk of manual scheduling error. Therefore, there is now a greater risk that PFSR runs are not scheduled, or are run with incomplete GSP Group data.

The STAG suggested having earlier notice of when the runs were needed. The STAG also noted that it should be down to the Supplier to inform the DA, but that ELEXON would have an earlier view of missing data.

Review of PFSR processes

Following a review of the processes for performing a PFSR, the following concerns have been identified:

A: The lack of explicit timescales on a Supplier to advise its agents of required Settlement correction

The STAG noted occurrences where Suppliers did not notify their DC and DAs of the TDC determinations within a timely manner. This can result in the agents being unable to undertake the required Settlement corrections by the PFSR.

B: Weak controls late in the process

The Supplier Volume Allocation Agent (SVAA) will contact the DAs known to be associated with at least one Trading Dispute, who fail to submit PFSR files. However, there is no assurance that these files contain the Settlement corrections as determined by the TDC.

C: Timescale constraints to address failures

The deadline for positive confirmation to the DS that corrective actions have been completed is currently five WDs after the associated PFSR schedule day. This leaves short timescales to act upon any failures.

D: Dis-jointed processes

The PFSR schedule day can be more than a year after the date the DS advises a Supplier of a TDC determination. This can result in a dis-joint in the process, with a risk that it gets forgotten.

Proposed solution

[CP1459 'Amendments to the process for performing a Post-Final Settlement Run'](#) was raised by ELEXON on 29 March 2016.

It seeks to amend BSCP11 section 5.4 'Performing a Post-Final Settlement Run':

- To achieve the intention of CP1428; and
- To ensure that there are explicit timescales on each process step and that it follows a logical path.

To achieve the intention of CP1428, amendments to BSCP11 are proposed to put an explicit obligation on Suppliers to inform their agents (including but not limited to DC and DA) to take such steps as are necessary to give effect to a determination of the TDC. Also, the erroneous obligation put on the DS to instruct DCs and DAs will be removed.

In addition, an explicit obligation will be put on Parties to instruct their relevant agents within five WDs of receipt of such a determination. This is so Settlement corrections undertaken by DCs and scheduling of PFSRs by DAs can reasonably be undertaken immediately following receipt of a TDC determination.

Furthermore, it removes the long potential gap between a determination and confirmation of it being given effect whereby a Party can provide positive confirmation up to a year after receipt of a TDC determination. This is achieved by limiting the timescales to within 20 WDs of receipt of such a determination, or within five WDs of the PFSR schedule day, whichever is sooner.

Proposer's rationale

A change to BSCP11 is required to achieve the full intention of CP1428. Additionally it will provide clarity and efficiency for performing the PFSR, to reduce the risk that corrective action is not entered into Settlement.

3 Impacts and Costs

Central impacts and costs

Central impacts

CP1459 will require changes to BSCP11. No system changes are required to implement this CP and there will be no impact on BSC Agents.

Central costs

The central implementation costs for CP1459 will be approximately £240 (one ELEXON man day) to implement the relevant document changes.

Central Impacts	
Document Impacts	System Impacts
<ul style="list-style-type: none">BSCP11	<i>None</i>

BSC Party & Party Agent impacts and costs

CP1459 is expected to impact Suppliers, DAs and DCs. We believe that minor process changes will be required to implement the solution but we will confirm this through the CP Consultation.

No other BSC Parties or Party Agents are expected to be impacted.

BSC Party & Party Agent Impacts	
BSC Party/Party Agent	Impact
Suppliers	Changes will be required to implement the solution.
DAs	
DCs	

4 Implementation Approach

Recommended Implementation Date

CP1459 is proposed for implementation on **3 November 2016** as part of the November 2016 BSC Systems Release.

The November 2016 Release is the next available Release that can include this CP.

5 Proposed Progression

Progression timetable

The table below outlines the proposed progression plan for CP1459:

Progression Timetable	
Event	Date
CP Progression Paper presented to TDC for information	7 Apr 16
CP Consultation	11 Apr 16 – 06 May 16
CP Assessment Report presented to TDC for decision	02 Jun 16
Proposed Implementation Date	03 Nov 16 (Nov 16 Release)

CP Consultation questions

We intend to ask the standard CP Consultation questions for CP1459. We do not believe any additional questions need to be asked for this CP.

Standard CP Consultation Questions
Do you agree with the CP1459 proposed solution?
Do you agree that the draft redlining delivers the CP1459 proposed solution?
Will CP1459 impact your organisation?
Will your organisation incur any costs in implementing CP1459?
Do you agree with the proposed implementation approach for CP1459?

6 Recommendations

We invite you to:

- **NOTE** that CP1459 has been raised;
- **NOTE** the proposed progression timetable for CP1459; and
- **PROVIDE** any comments or additional questions for inclusion in the CP Consultation.

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Appendix 1: Glossary & References

Acronyms

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

Acronyms	
Acronym	Definition
BSC	Balancing and Settlement Code (<i>Industry Code</i>)
BSCP	Balancing and Settlement Code Procedure (<i>Code Subsidiary Document</i>)
CP	Change Proposal
CPC	Change Proposal Circular
DA	Data Aggregator (<i>Party Agent</i>)
DC	Data Collector (<i>Party Agent</i>)
DS	Disputes Secretary (<i>Function carried out by BSCCo</i>)
GSP	Grid Supply Point
PFSR	Post-Final Settlement Run
STAG	Software Technical Advisory Group (<i>Panel expert group</i>)
SVAA	Supplier Volume Allocation Agent (<i>BSC Agent</i>)
TDC	Trading Disputes Committee (<i>Panel Committee</i>)
WD	Working Day

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	BSCPs page on the ELEXON website	https://www.elexon.co.uk/bsc-related-documents/related-documents/bscps/
2	CP1428 page on the ELEXON website	https://www.elexon.co.uk/change-proposal/cp1428/
2	Trading Disputes decision page on the ELEXON website	https://www.elexon.co.uk/reference/technical-operations/dispute-decisions/
4	CP1459 page on the ELEXON website	https://www.elexon.co.uk/change-proposal/cp1459/

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