

Stage 03: Assessment Consultation

What stage is this document in the process?

01 Initial Written Assessment

02 Definition Procedure

03 Assessment Procedure

04 Report Phase

P260: Extension to data provided to the Transmission Company in the TUoS Report

The Transmission Company receives the TUoS Report from SVAA for use in its invoicing system. It is proposed to expand net GSP group data in the TUoS report to provide gross GSP group data.



Modification Group initially unanimously recommends **Approval** of P260 Alternative



Minor Impact:
BSC Annex V-1 and SVA systems

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About this document:

The purpose of this Assessment Consultation is to obtain views or further evidence from BSC Parties and other interested parties on the merits of the change discussed in this document.

There are 3 parts to this Assessment Consultation:

This is the main document. It outlines the solution, impacts, costs, benefits and the potential implementation activities associated with this change.

- **Attachment A** is the draft legal text that will deliver the Proposed and Alternative Solutions
- **Attachment B** is the Assessment Consultation Questions response form, which includes all the questions highlighted in the main document.

The Group will consider the consultation and impact assessment responses at its post consultation meeting, when it will make its final recommendation as to whether the change should be made. The Panel will consider the recommendation at its meeting on 09 September 2010. The Panel will then consult on its own recommendation to the Authority.



Any questions?

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Why Change?

The Transmission Company currently receives the Transmission Use of System (TUoS) Report from Supplier Volume Allocation Agent (SVAA) which contains, by Supplier BMU, net Half Hourly and Non Half Hourly demand/generation data for each GSP group.

As part of its ongoing work to develop an enduring Charging Methodology the Transmission Company have requested Half Hourly and Non Half Hourly data to be reported on a gross basis rather than a net one.

Solution

Proposed

The Proposed solution amends the TUoS Report to include NHH and HH Allocated Import and Export Volume data per Supplier per GSP Group as separate data items.

Alternative

The Alternative solution would, further to the amendments to the TUoS report suggested under the Proposed solution, produce a second report containing the same data items being added to the TUoS Report, but aggregated up to GSP group level rather than Supplier BMU. This second report will be made accessible to interested Parties via the ELEXON Exchange and the BSC Central Services File Transfer Protocol (FTP) server.

Impacts & Costs

This Modification **will not impact Parties** as the TUoS report is sent only between National Grid and SVAA. Under the alternative, receiving the report is optional.

The estimated implementation cost for the Proposed Modification is £76,120 (£56,720: ELEXON, £20,000: Transmission Company)

The estimated implementation cost for the Alternative Modification is £99,480 (£79,480: ELEXON, £20,000: Transmission Company)

Implementation

The group's initial recommendation, for Proposed or Alternative is:

- **31 March 2011** if an Authority decision is made by **19 November 2010**; or
- In the **Next Available Release**, allowing for a minimum 4 month implementation period, if a decision is reached after 19 November 2010.

The Case for Change

The Group initially unanimously recommends that P260 Alternative should be approved.

The Group's unanimous view is that the Alternative Solution will better facilitate Applicable BSC Objective (c) with some members believing there is some additional benefit under (a). A minority of the Group believed it will assist the Transmission Company in meeting its licence obligation to develop and implement an enduring Charging Methodology (Objective (a)). The Group unanimously believed that making the data more widely available to Parties increases market transparency and understanding which has competition benefits for the market (Objective (c)).

Recommendations

The Group unanimously believe that P260 Alternative should be approved.

2 Why Change?

Background

Currently in England and Wales, Generators with plants connected at 132kV are classed as embedded Generators and depending on their registered capacity, do not pay generator **Transmission Network Use of System** (TNUoS) charges and receive embedded benefits..

However, the definition of transmission in Scotland means that Generators with plants connected at 132kV, irrespective of their registered capacity are not treated as embedded. Therefore, these Generators are liable for TNUoS charges.

To compensate for the difference in treatment in charging between Scotland and England/Wales an interim charging solution was introduced at BETTA. This interim solution is that 132kV generation connected in Scotland receive the 'small generator discount'. The arrangements for this discount will be removed on 31 March 2011.

The Transmission Company has a licence obligation (Standard Licence Condition C13) to develop and implement enduring arrangements prior to the expiry date of the Scottish 132kV connected discount arrangements.

How does this impact The BSC?

The Transmission Company receive a Transmission Use of System (TUoS) Report from the Supplier Volume Allocation Agent (SVAA) on a daily basis. The TUoS report contains Half Hourly (HH) and Non Half Hourly (NHH) Allocated Volume data for Supplier Balancing Mechanism Units (BMU) for each Grid Supply Point (GSP) group. Section V of the BSC states that this data is provided on the basis of demand net of generation.

Proposals currently being progressed by the Transmission Company to develop an enduring arrangement would require a breakdown of Half Hourly (HH) gross demand (import) and generation (export), by Supplier BMU, in each GSP group rather than the current net basis.

Changes to BSC Section V and SVAA systems are required to reflect/include this additional information.

Timescales

The Transmission Company's work on developing an enduring solution for the replacement of the 'small generator discount' is currently underway and a methodology consultation will be issued shortly with the final Transmission Company recommendations being submitted to the Authority following the consultation.

The Transmission Company raised P260 so that it could be progressed in tandem with the final stages of the charging methodology work, allowing the Authority to make their final decision on the Charging proposals at the same time as considering the P260 Final Modification Report. If approved, the necessary BSC changes can then be in place in time for the new methodologies to take effect from April 2011.

Further information on timescales can be found under section 6 'Implementation'.



The **Transmission Network Use of System** charge published for the relevant year as set out in the statement provided for in Standard Licence Condition C4 of the Transmission Licence held by National Grid.



A **Grid Supply Point** is a Systems Connection Point at which the Transmission System is connected to a Distribution System.

3 Solution

The TUoS Report (P0210 file) will need to be updated to provide Gross HH import and export volume to provide the Transmission Company with the required data.

The TUoS report will therefore require the following changes:

- 1) Rename the 'Period BMU HH Allocated Volume' to 'Net Period BMU HH Allocated Volume';
- 2) Insert two columns next to the renamed column: 'Gross Period BMU HH Allocated Import Volume' and 'Gross Period BMU HH Allocated Export Volume'.

Additional NHH import and export data

Although the current work to develop an enduring Charging Methodology solution only requires disaggregated HH data, the Group questioned why the proposed solution only included disaggregated HH data, and not NHH data as well.

The Group voiced concerns that by not including disaggregated NHH data, you immediately exclude the ability for all Embedded Generation to be covered (i.e. NHH) and may result in further changes being required to the TUoS Report at a later point. Furthermore, by including disaggregated NHH data in this solution would remove the cost to progress and implement a future Modification. In the interim, the Transmission Company could simply ignore the additional NHH data.

Following this discussion the Proposer agreed to include disaggregated NHH data in the Proposed solution, thus future proofing the Proposed changes to the TUoS Report.

Therefore the following changes will also be required to the NHH data to mirror the HH data changes:

- 1) the 'Period BMU NHH Allocated Volume' renamed to 'Net Period BMU NHH Allocated Volume'; and
- 2) two additional columns inserted next to the renamed column: 'Gross Period BMU NHH Allocated Import Volume' and 'Gross Period BMU NHH Allocated Export Volume'.

The table below shows the proposed structure of the new TUoS report using a random BMU sample data:

Record Type	Sett Prd	End Time	<u>NET</u> HH Allocated Volume	<u>Gross HH Allocated Import Volume</u>	<u>Gross HH Allocated Export Volume</u>	<u>NET</u> NHH Allocated Volume	<u>Gross NHH Allocated Import Volume</u>	<u>Gross NHH Allocated Export Volume</u>
HHA	1	00:30	4.0352	<u>6.5869</u>	<u>2.5517</u>	95.0969	<u>131.2337</u>	<u>36.1368</u>
HHA	2	01:00	5.1674	<u>8.7669</u>	<u>3.5995</u>	89.7166	<u>117.9773</u>	<u>28.2607</u>
HHA	3	01:30	4.6250	<u>9.2500</u>	<u>4.6250</u>	86.8399	<u>117.6299</u>	<u>30.7900</u>
HHA	4	02:00	4.7330	<u>7.333</u>	<u>2.6000</u>	84.3064	<u>126.4596</u>	<u>42.1532</u>
HHA	5	02:30	3.7095	<u>5.8185</u>	<u>2.1090</u>	79.8298	<u>108.7652</u>	<u>28.9354</u>

Provision of this data will allow the Transmission Company to undertake its duties regarding the development of charges on a more cost reflective basis. In addition, it would help to facilitate a review of the charging arrangements for embedded generators which, as a result of Standard Licence Condition C13 of the Transmission Licence, will need to conclude and be implemented by April 2011.

4 Alternative Solution

The Group has developed an Alternative Solution which seeks to make some of the data in the TUoS report available to all interested Parties.

Proposed Alternative

Making the content of the TUoS report more widely available

The Group discussed the transparency of the information contained in the TUoS Report and whether the Report should be made more widely available. The majority of the Group agreed that making the content more widely available should be explored and a solution developed to achieve it.

Question 1

Do you believe there is benefit in making some of the data in the TUoS Report more widely available?

The P260 Group invites you to provide a response to this question in Attachment B.

Confidentiality of data

The TUoS report contains HH and NHH Import and Export Volumes disaggregated by Supplier BMU. The Group were concerned that this level of disaggregation may give rise to confidentiality issues if the content was made more widely available.

To address this issue the Group agreed that the more widely available version of the TUoS Report should aggregate the Gross HH and NHH Allocated Import/Export Volume per Settlement Period within each GSP group. By aggregating up to this level the information provided in the 'GSP Group Import and Export Totals' Report will still prove useful to Parties, increase the transparency of the TUoS report content, while avoiding any issues around Supplier data confidentiality.

Question 2

Do you believe publishing the 'GSP Group Import and Export Totals' report at GSPG level would cause issues with confidentiality?

The P260 Group invites you to provide a response to this question in Attachment B.

How report will be published

Once generated the 'GSP Group Import and Export Totals' report will then be available to download via the BSC Central Services **File Transfer Protocol (FTP)** server and via the **ELEXON Exchange**.

The report will be generated every day after the TUoS Report, and will then be accessible for 7 days by interested Parties. After the 7 day period it will be replaced with a newer report. Making the data available via this method means that accessing it is optional, so Parties can use the report if they choose to.

Is the Alternative within scope?

Under the BSC, any Alternative Modification must address the defect/issue as detailed in the original Modification Proposal form. There was discussion within the Group as to whether making the content of the TUoS report more widely available, addressed the identified defect of providing the Transmission Company with sufficient data to allow them to develop and implement an enduring charging methodology and meet their licence obligation.



What is File Transfer Protocol (FTP)?

File Transfer Protocol (FTP) is a standard network protocol which the BSC Parties use to transfer files to and from the BSC Systems. This service requires login credentials which are supplied during the registration process. Full details on FTP can be found in the Section 3 of Participant Communications Overview Guide (PCOG) which can be accessed on the ELEXON website [here](#).



What is the ELEXON Exchange?

The ELEXON Exchange, previously called 'NETA Exchange' is accessed via the [ELEXON Portal](#). It is a site that allows you to browse, search and download files relevant to BSC Central Services, and to send messages with file attachments to other users of the system.

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It was noted that the Modification Proposal stems from the need for the Transmission Company to receive the additional import/export data. However, the majority of the Group argued that making the TUoS report more widely available (in addition to the required changes to the existing report) would allow the Transmission Company to receive the extra data they need, whilst additionally allowing interested Parties to use the data to assist the Transmission Company in meeting their licence obligation. The Group therefore concluded that making the TUoS report available to a wider audience would meet the original defect identified.

Other approaches considered

Report using D0276 flow

Whilst the conclusion of the Group was to develop an Alternative solution involving the publication of an aggregated TUoS report via FTP and the ELEXON exchange, the Group did consider utilising the D0276¹ as the basis for the report generation. They considered the D0276 flow as it contains similar information as the P0210 (TUoS Report). The content of the D0276 could have been collated together to provide the same level of information as the 'bolt on' report. However, the group decided that whilst this was a viable approach to generate the information, it made sense that the any additional report was generated in the same manner as the P0210. This was in order to keep it closely related to the TUoS report, maximise implementation efficiencies and therefore minimise the cost to implement the Alternative solution.

Is there a more Manual Approach?

As part of previous work to aid the Transmission Company with its Charging Methodology work, a manual script had been developed by ELEXON to provide the Transmission Company with relevant data. The Group considered if the script could form the basis of a manual solution to the issue.

The Group discussed a manual solution where a script would be run on a daily basis, negating the need for direct changes to the SVA systems. The ELEXON costs for implementing this change were estimated at £15K. However there would be significantly larger cost for the Transmission Company to change their systems to receive the new file. Additionally the manual approach would involve a degree of risk, as it would not have the same level of checks in place that exist in the SVA Systems.

The Group therefore decided not to progress with a manual solution.

Question 3

Are there alternative solutions that the Modification Group has not identified, that they should consider?

The P260 Group invites you to provide a response to this question in Attachment B.

¹ D0276 - GSP Group Consumption Totals Report

5 Impacts & Costs

Costs

Proposed					Alternative				
ELEXON		ELEXON Service Provider	National Grid	Total	ELEXON		ELEXON Service Provider	National Grid	Total
Man days	Cost				Man days	Cost			
28	£6,720	£50,000	£20,000	£76,720	39.5	£9,480	£70,000	£20,000	£99,480

Impacts

Impact on BSC Systems and process

BSC System/Process	Potential impact
SVA system and process	To provide the additional disaggregated HH data

Impact on BSC Parties and Party Agents

Proposed Solution: None - the Proposed Modification affects data that is provided by ELEXON to the Transmission Company. However, indirectly the extra information will be used in the Transmission Company's new approach to Charging.

Alternative Solution: Parties will have access to the P0210 TUoS Report aggregated at GSP level via the BSC Central Services FTP Server and the ELEXON Exchange.

Impact on Transmission Company

The Transmission Company need to make the necessary software modifications required to load the changed P210 file into the TNUoS charging system.

Impact on Code

Code section	Potential impact
Annex V-1	Amendments to Table 7 of Annex V-1 to capture additional information that the TUoS report will contain. (Alternative only) Add details of Aggregated TUoS Report that will be more widely accessible. Please refer to Attachment B – for Proposed and Alternative legal text.

Impact on Code Subsidiary Documents

CSD	Potential impact
SVA Data Catalogue Volume 1 + 2	Addition of the Data Item Names to reflect the separation of 'import' and 'export' of the Period BMU HH and NHH Allocated Volume in Appendix B (Alternative only) Capture the new accessible Aggregated 'TUoS Report'

Impact on other Configurable Items

Configurable Item	Potential impact
ISRA Function Definition User Catalogue	Section 3.44.2 and Section 3.44.13
ISRA Technical Spec Volume 1	Section 3.1.20
ISRA Technical Spec Volume 4	Section 9.6.14 and Section 9.7
ISRA Operations Guide	Section B.28
ISRA System Management Guide	Section 6.1

6 Implementation

Why has this Modification been raised now?

The Group questioned why this Modification had been raised now, when the final decisions on the resolution of the charging methodology work had yet to be made.

The Proposer explained that:

- 1) the extra data in the TUoS report will be needed for all of the potential charging solutions that are being considered;
- 2) P260 has been raised now so it can be considered by the Authority at the same time as they reach a determination on the Charging Methodology recommendations made by the Transmission Company; and
- 3) raising and progressing P260 now means that if approved it can be implemented and in place in time for when the new Charging Methodology would take effect from April 2011.



Recommendation

Modification Group initially recommends approval of the P260 Proposed/Alternative

When will P260 be implemented?

The Group initially recommends that P260 should be implemented:

- **31 March 2011** if an Authority decision is made by **19 November 2010**; or
- In the **Next Available Release**, allowing for a minimum 4 month implementation period, if an Authority decision is reached after 19 November 2010.

This will ensure Transmission Company can implement necessary changes in time to meet their obligation, while making sure that no work is undertaken until the Authority makes a final decision on the new Charging Methodology.

Question 4

Do you agree with the Groups initial implementation approach?

The P260 Modification Group invite you to provide your answer in Attachment B



Description of BSC Objectives

- a) Efficient discharge of the obligations of the Transmission Licence.
- b) Efficient, economic and co-ordinated operation of the national electricity transmission system.
- c) Promoting effective competition in the generation and supply of electricity and in the sale and purchase of electricity.
- d) Promoting efficiency in the implementation and administration of the balancing and settlement arrangements.

Why will P260 be better than the existing BSC Requirements?

The Group's initial unanimous recommendation is that **P260 Alternative** will better facilitate the achievements of the **Applicable BSC Objective (c)** with some members believing there is some additional benefit under **(a)**.

Proposed Modification vs. Current Arrangements

A majority of the Group were **neutral** on whether or not the Proposed Modification would better facilitate the Applicable BSC Objectives when compared to the current arrangements.

The majority believed that, whilst the Proposed Modification was a sensible change, it was difficult to demonstrate that it better facilitates the BSC objectives. This was because no new Charging Methodology has yet been approved by the Authority, that would specifically require this data. Therefore, it is not guaranteed that BSC changes will be required. Implementing the Proposed Modification could result in nugatory work if a different Charging Methodology was to eventuate. Were the data to be required, a manual workaround could be used to provide the requested data to National Grid on an ad hoc basis in order for an enduring solution (such as the Proposed Modification) to be taken forward.

A minority of the Group did however believe that the Proposed Modification would provide the relevant data to the Transmission Company to allow them to develop a charging methodology, and therefore meet its licence obligation and therefore better facilitating BSC Objective (a)..

The table below summarises the views of the minority on how the Proposed Modification better facilitates the Applicable BSC Objectives:

Objective (a)	
Benefits	Disadvantages
Provision of data helps the Transmission Company meet its licence obligation, to develop and implement an enduring Charging methodology.	None

Question 5

Would the P260 Proposed Modification better achieve the Applicable BSC Objectives when compared to the current arrangements?

The P260 Group invites you to provide a response to this question in Attachment B.

Alternative Modification vs. Current Arrangements

In a similar manner to the Proposed solution, the Group noted that it was difficult to consider the change in isolation, with regard to Objective (a). However due to the increases in data transparency that the Alternative solution provides, they believe the solution will aid competition and therefore better facilitate **BSC Objective (c)**.

The Group's unanimous views against applicable BSC Objective (c) and the minority Group views against applicable BSC Objective (a) are summarised below:

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Objective (a)	
Benefits	Disadvantages
<ul style="list-style-type: none"> Provision of data helps the Transmission Company meet its licence obligation, to develop and implement an enduring Charging methodology; and By making the content of the TUoS Report more widely available will help Parties assist the Transmission Company in meeting its Licence Obligations. 	None

Objective (c)	
Benefits	Disadvantages
Making the data contained in the TUoS Report accessible to Parties benefits competition for the market, due to the publication of the information increasing market transparency and understanding.	None

Question 6

Would the P260 Alternative Modification better achieve the Applicable BSC Objectives when compared to the current arrangements?

The P260 Group invites you to provide a response to this question in Attachment B.

Proposed Modification vs. Proposed Alternative

Since the Group believe that Alternative increases competition by increasing transparency through the provision of the aggregate TUoS report data to Parties, in addition to the benefits under the Proposed, the Group **unanimously** believes that the Alternative Solution is better than the Proposed Solution.

Question 7

Would the P260 Alternative Modification help to better achieve the Applicable BSC Objectives when compared to the Proposed Modification?

The P260 Modification Group invites you to provide a response to this question in Attachment B.

8 Modification Group Information

The P260 Modification Group consists of members of the Volume Allocation Standing Modification Group (VASMG).

Table 1 lists the Terms of Reference considered by the P260 Modification Group, a summary of their initial conclusions and where details of the Group's discussions/conclusions are documented.

Table 1 – P260 Assessment Procedure Terms of Reference

Area of Terms of Reference	Group's Initial conclusions:	See:
Discuss the transparency of the current TUoS report mechanism	The Group agreed that some of the content of the TUoS report could be made more transparent by making it more widely available on an aggregated basis. This led to the discussion and development of the Alternative Modification	Section 4
Identify the costs for any manual workarounds	The Group discussed a more manual approach for generating the additional information required by National Grid. However it was not taken forward as the long term costs of this approach were potential greater and the manual approach could be prone to error as the data would have less rigorous checks than the systems based P0210 change.	Section 4
Consider any wider Industry issues concerning National Grid receiving the requested data	The Group concluded that there was no reason why the content of the TUoS Report should not be more widely available on an aggregated basis. Hence the development of the Alternative Solution	Section 4
Consider the effect of P260 on the Applicable BSC Objectives	The Groups initially unanimous view is that the Alternative solution better facilitates Applicable BSC Objective (c), with some members believing there is some additional benefit under (a).	Section 7
Consider whether and Alternative Modification is required	The Group has developed an Alternative solution, which will make some of the content of the TUoS report more widely available in an aggregated format.	Section 4
Agree the implementation approach for P260	The Group has agreed an implementation approach.	Section 6

Table 2 – P260 Planned Assessment Timetable

Date	Assessment Activity
04 June 2010	National Grid raise P260
10 June 2010	IWA presented to the Panel
07 July 2010	Modification Group 1
03 August 2010	ELEXON issues Assessment Phase consultation
17 August 2010	Consultation Responses due
24 August 2010	Modification Group meeting 2 (provisional)
03 September 2010	ELEXON submits the Group's Assessment Report to the Panel
09 September 2010	ELEXON presents the Group's Assessment Report to the Panel

Table 3 – P260 Modification Group Attendance

Member	Organisation	07/07/2010	26/07/2010 (via teleconference)
Adam Lattimore	ELEXON (Chairman)	✓	✓
David Barber	ELEXON (Lead Analyst)	✓	✓
Ivo Spreeuwenberg	National Grid (Proposer)	✓	✓
Chris Stewart	Centrica	✓	✓
Paul Mott	EDF Energy	✓	✓
Paul Jones	E.ON UK	✓	✓
Garth Graham	Scottish and Southern Energy	✓	✓
Eric Graham	TMA Data Management	X	X
Phil Russell	Independent Consultant	✓	✓
Attendee	Organisation		
Nicholas Brown	ELEXON (Lawyer)	✓	X
Mahesh Gogate	ELEXON (Design Authority)	✓	✓

9 Further Information

Attachment **A**: Legal Text Proposed and Alternative

Attachment **B**: Assessment Consultation Response Form

Further details, including the P260 Initial Written Assessment (IWA) are available on the [P260](#) page of the ELEXON website.