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MODIFICATION REPORT
MODIFICATION PROPOSAL P30 -
Provision of BSC data to BSC and
Non-BSC Parties

Prepared by ELEXON on behalf of the Balancing
and Settlement Code Panel

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1 SUMMARY AND RECOMMENDATIONS

1.1 Recommendation

On the basis of the analysis, consultation and assessment undertaken in respect of this Modification Proposal during the Assessment Phase, and the resultant findings of this report, the BSC Panel recommends that:

- ❑ **The Modification Proposal should be rejected;**
- ❑ **The Alternative Modification should be implemented with an Implementation Date of nine weeks after final Authority is received.**

1.2 Background

Modification Proposal P30 was raised by Utiylix on the 12th July 2001 and subsequently considered by the Panel at their meeting of 28th July 2001, where the Panel agreed that the Modification Proposal should proceed to the Definition Procedure. The Definition Report was considered by the Panel meeting on the 23rd August 2001 and the Panel determined that the Modification Proposal move to the Assessment Procedure.

The Assessment Procedure has included the distribution of Requirement Specifications to the relevant BSC Agents (distributed on the 2nd October 2001), an analysis of the impact on ELEXON and draft BSC Code Changes. A draft Assessment Report was assessed by the Modification Group on the 9th October 2001 and a finalised Assessment Report was agreed upon on the 11th October 2001.

The Modification Proposal seeks to make available to all companies, both Acceded BSC Parties and non-BSC parties:

- ❑ The BM Unit Aggregation Report
- ❑ Profile Coefficient Data
- ❑ Line Loss factor data (LLF)
- ❑ Market Domain Data (MDD)

On the Modification Group's recommendation the Assessment Report suggested that the Modification Proposal be rejected and that an Alternative Modification be advanced. This Alternative Modification was identical to the original Modification Proposal except that the BM Unit Aggregation report had been removed from its scope.

The Modification Group agreed by a majority view to exclude the BM Unit Aggregation Report from the Alternative Modification to enable the Implementation Date to be moved forward and that possible mechanisms for the wider distribution of the excluded data be considered separately.

The Assessment Report was considered on the 18th October 2001. The Assessment Report originally advised an Implementation Date of twelve weeks after final authority is received. The Panel requested that this timescale be evaluated. Further analysis showed that the Proposal could be completed within nine weeks.

The Panel agreed that the Alternative Modification be progressed to the Report Phase.

1.3 Rationale for Recommendations

The Modification Group had originally identified that the publication of Line Loss Factor (LLF) data and wider distribution of Profile Coefficient data, Market Domain Data and the BM Unit Aggregation Report would have the following advantages:

- The wider distribution of data will improve market transparency as more market participants will have access to a wider variety of information; and
- Interested companies which do not currently receive LLF data will not have to undergo the time consuming and difficult process of requesting each individual Distribution Businesses LLF Data.

Although it was agreed that the wider distribution of the BM Unit Aggregation Report would increase market transparency, it was felt by the Modification Group that the benefits did not justify the implementation cost.

Due to this, an Alternative Modification was proposed which excluded the BM Unit Aggregation Report .

The publication of LLF data and wider distribution of MDD data and Profile Coefficient data will better facilitate the following objective:

- 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.

This objective would be achieved in the following ways:

- Interested companies which do not currently receive LLF data will not have to undergo the time consuming and difficult process of requesting each individual Distribution Businesses LLF Data.
- The data would be readily accessible to all interested companies rather than some Acceded Parties;
- Profile Coefficient data could be used by companies to estimate and compare charges.

2 INTRODUCTION

This Report has been prepared by ELEXON Ltd., on behalf of the Balancing and Settlement Code Panel ('the Panel'), in accordance with the terms of the Balancing and Settlement Code ('BSC'). The BSC is the legal document containing the rules of the balancing mechanism and imbalance settlement process and related governance provisions. ELEXON is the company that performs the role and functions of the BSCCo, as defined in the BSC.

This Modification Report is addressed and furnished to the Gas and Electricity Markets Authority ('the Authority') and none of the facts, opinions or statements contained herein may be relied upon by any other person.

An electronic copy of this document can be found on the BSC website, at www.elexon.co.uk

3 PURPOSE AND SCOPE OF THE REPORT

BSC Section F sets out the procedures for progressing proposals to amend the BSC (known as 'Modification Proposals'. These include procedures for proposing, consulting on, developing, evaluating and reporting to the Authority on potential modifications.

The BSC Panel is charged with supervising and implementing the modification procedures. ELEXON provides the secretariat and other advice, support and resource required by the Panel for this purpose. In addition, if a modification to the Code is approved or directed by the Authority, ELEXON is responsible for overseeing the implementation of that amendment (including any consequential changes to systems, procedures and documentation).

A Modification Report must be prepared and submitted to the Authority in respect of each proposed modification and must contain:

- (a) The recommendation of the Panel as to whether or not the Proposed Modification or any Alternative Modification should be made;
- (b) The proposed Implementation Date for implementation of the Proposed Modification or any Alternative Modification;
- (c) The matters set out in Annex F-1 of the BSC. This will usually be in the form of the relevant Assessment Report where the Proposal has been submitted to a Modification Group prior to the Report Phase;
- (d) An explanation of the Panel's rationale should the Panel form a different view of any matters contained in the Modification Group Report; and
- (e) A summary of the representations made by Parties and interested third parties during the consultation undertaken in respect of the Proposed Modification and any Alternative Modification.

4 HISTORY OF PROPOSED MODIFICATION

Modification Proposal P30 was raised by Utiyx on the 12th July 2001 and subsequently considered by the Panel at their meeting of 28th July 2001, where the Panel agreed that the Modification Proposal should proceed to the Definition Procedure. The Definition Report was considered by the Panel meeting on the 23rd August 2001 and the Panel determined that the Modification Proposal move to the Assessment Procedure.

Initially, the Modification only requested that summarised LLF data be displayed on the ELEXON website but within the terms of reference the Modification Group were requested to consider methods of improving the efficiency of distributing LLF information. It was felt that putting LLF information in the format found in file D0265 might enable future improvements in this area. This would need to be addressed at a later date in a separate Change Proposal.

The Assessment Procedure has included the distribution of Requirement Specifications to the relevant BSC Agents (distributed on the 2nd October 2001), an analysis of the impact on ELEXON and draft BSC Code Changes. A draft Assessment Report was assessed by the Modification Group on the 9th October 2001 and a finalised version was agreed upon on the 11th October 2001.

The Modification Proposal seeks to make available to all companies, both Acceded BSC Parties and non-BSC Parties, the following data:

- Supplier Volume Allocation Line Loss Factors (LLF) to be made available on the ELEXON website both in summarised format and in full;
- Market Domain Data (excluding Profiling Regression data) to be made available on request to BSC and non-BSC parties;
- Profile Coefficient information to be made available on request to BSC and non-BSC parties; and
- The BM Unit Aggregation Report (CDCA-I042) to be made available to all BSC and non-BSC parties.

The Assessment Report recommended that the Modification Proposal be rejected and that an Alternative Modification be advanced. This Alternative Modification was identical to the original Modification Proposal except that the BM Unit Aggregation Report had been removed from the scope.

The Modification Group agreed by a majority view to exclude the BM Unit Aggregation report from the Alternative Modification to enable the Implementation Date to be moved forward and possible mechanisms for the wider distribution of the BM Unit Aggregation Report to be considered separately.

Although the Modification Group agreed that the wider distribution of the BM Unit Aggregation Report would increase market transparency there were concerns over the timescales, costs and method of recouping costs for this (see Annex 4). The Modification Group requested that an Alternative Modification be considered that removed the distribution of the BM Unit Aggregation Report and only involves making more widely available:

- Line Loss Factor data (LLF);
- Market Domain Data (MDD); and
- Profile Coefficient Data.

The Assessment Report was considered on the 18th October 2001. The Panel agreed that the Alternative Modification be progressed to the Report Phase.

5 DESCRIPTION OF PROPOSED ALTERNATIVE MODIFICATION

The Proposed Alternative Modification seeks to increase the availability of the following data sets to Non-BSC parties:

- Line Loss Factor information will be published on the ELEXON website
- Yearly sets of Profile Coefficient Data distributed via CD-ROM
- Market Domain Data (MDD) distributed via email.

The Profile Coefficient data is currently distributed to all Suppliers in file D0018 on a daily basis. If the Modification is successful then a yearly batch will be created for the previous year. BSC and Non-BSC parties will only be able to request the batch created for the preceeding year. There is a one off requirement for data from the April 2000 to March 2001 to be made available.

Line Loss Factor information will be available on the ELEXON website in summarised and compressed raw format (as found in file D0265). This will provide maximum market transparency. The publication of data flow D0265 on the ELEXON website may affect the requirement for Distributors to send this information to all relevant Parties. However, any change to the existing method of LLF data distribution is outside the scope of this Modification Proposal and therefore will have to be considered seperately.

There are two data flows for MDD, both of which will be made available to Non-BSC parties. One data flow (D0269) gives the entire set for MDD, if the MDD set has been changed during the year then an incremental set is available (D0270). Non-BSC parties will only be able to request the previous data flow.

The Panel requested that the Modification Group consider methods of recouping the costs of developing the relevant systems and distributing the required data. The Modification Group considered that non-BSC parties should not be charged for the publication of LLF data due to the relatively low implementation costs and potential benefits to the electricity industry. The following method was deemed to be the most suitable for charging for MDD and Profile Co-efficient Data:

An estimate was made of the number of non-BSC parties that would request the data, for each data set covered by this proposal it was assumed that there would be ten interested companies. The development cost for system changes would then be divided by that number (please see relevant Impact Assessment). This value would be added to the distribution cost and an ELEXON administration fee of £20 would be added.

Example

A company requests the complete MDD data set (D0269) for the first time. The development cost for MDD is £2,248. Therefore they would be charged as follows:

$$\text{Non-BSC party bill} = £50.81 + £20.00 + (£2,248 \text{ divided by } 10) = £295.61$$

Non-BSC parties would request the data by raising a call with the ELEXON helpdesk. The ELEXON helpdesk would pass the request onto the relevant BSC Agents Helpdesk who would perform the relevant work and distribute the data pending approval from ELEXON.

For full details of legal changes and Impact Assessments please see the Assessment Report.

5.1 Summary of Proposed Changes

The tables below detail the changes in publication method for MDD, Profile Coefficient and LLF information and their proposed data formats.

5.1.1 Format changes and distribution methods

Data	Format Changes	Transmission Method
Line Loss Factor Information	No change	BSC Co website
MDD Data	No change	Email/DTN
Profile Coefficient Data	Currently, this data is distributed on a daily basis. This would need to be as a collated data set for the preceding year and distributed on an annual basis.	CD-ROM (provided once a year to requesting company, plus a one off provision of historic data)

5.1.2 Recipient changes

Data	Currently Available To	Proposal will make available to
MDD (including Profiling Regression Data).	Any SVA BSC Party that has signed the Confidentiality Undertaking.	No change.
MDD (excluding Profiling Regression Data)	Any BSC party	Any BSC and non-BSC party
BM Unit Aggregation report	Any BSC Party	Any BSC and non-BSC party
Profile Coefficient Data	Any SVA BSC Party	Any BSC and non-BSC party

5.2 Implementation Date

It was originally envisaged that the Modification Proposal would take twelve weeks after final authority is received. However, further analysis has revealed that the Implementation Date can be nine weeks after final authority is received providing there are no issues with contract arrangements.

This nine weeks is based around system development timescales, updating the ELEXON website will take five weeks and in addition four weeks notice is required.

6 RATIONALE FOR PANEL RECOMMENDATIONS

The Panel agreed with the Modification Group that the wider distribution of Market Information to Non-BSC parties would further increase market transparency and would fulfil the relevant BSC objective:

- 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.

The Panel felt that it was in the best interests of the industry if non-BSC parties paid for the distribution of this data.

The Panel also agreed that the benefits accrued from the wider distribution of the BM Unit Aggregation Report did not justify the increased costs or timescales. The supported the Alternative Modification that only recommended the wider publication of LLF information, MDD and Profile Coefficient data.

7 LEGAL TEXT TO GIVE EFFECT TO THE PROPOSED MODIFICATION

Section V3.2 will be replaced with the following:

3.2.1 Each of Tables 2 to 7 in Annex V-1 sets out:

- (a) the name of each report to be provided by the relevant BSC Agent;
- (b) a summary description of the data to be contained in each such report;
- (c) the frequency with which each such report is to be provided;
- (d) the persons and bodies to which each such report is to be provided.

3.2.2 For the purposes of Tables 2 to 7 in Annex V-1:

- (a) "**Relevant Party**" indicates that the data in question is to be provided to the Party or Trading Party or Supplier to which the data relates (and not to other Parties, except for BSCCo);
- (b) "**Any Party (on request)**" indicates that the data in question (irrespective of the Party or Parties to which it relates) is to be provided to any Party which requests receipt of the same pursuant to paragraph 3.2.3;
- (c) "**All Suppliers**" indicates that the data in question is to be provided to all Suppliers in the GSP Group to which the data relates;
- (d) "**Any person (on request)**" indicates that, subject to paragraph 3.2.7, the data in question (irrespective of the Party or Parties to which it relates) is to be provided to any person (whether or not a Party) which requests receipt of the same pursuant to paragraph 3.2.3.

3.2.3 In respect of each of the Tables 2 to 7 in Annex V-1 and in relation to all (but not some) of the data for which the 'Recipient' column in any such Table includes:

- (a) 'Any Party (on request)', each Party shall be entitled to receive all such data if it notifies BSCCo to that effect in accordance with BSCP 41;
- (b) 'Any person (on request)', any person shall be entitled, subject to paragraph 3.2.7, to receive all such data if it notifies BSCCo to that effect in accordance with such procedures as BSCCo may establish for such notification.

3.2.4 Tables 2 to 7 provide a general description of the data to be contained in each report; details of the data to be contained in each report are set out in the Reporting Catalogue.

3.2.5 Reports are to be provided:

- (a) to Parties by the means specified in Section O;
- (b) to persons other than Parties by such means as the Panel may from time to time determine.

3.2.6 Unless otherwise provided in the Code or the Reporting Catalogue, reports at any time provided pursuant to this paragraph 3 contain data relating only to relevant periods for which such data is (at such time) current, as further provided in the Reporting Catalogue.

3.2.7 Where a person who is not a Party requests the provision of data to which it is entitled pursuant to this paragraph 3.2, such data shall not be required to be made available to such person until and unless such person has entered into and remains party to an agreement with BSCCo, in such form as BSCCo with the approval of the Panel may from time to time determine, relating to the provision of such data and providing (inter alia) for the payment or periodic payment by such person to BSCCo of a sum (established and revised from time to time by BSCCo) representing the reasonable costs of providing such data to that person.

Section V4.1.1(b) will be replaced with the following:

- (b) an up-to-date list of the following parameters set out in or established and revised from time to time under and in accordance with the Code:
 - (i) the Credit Assessment Price determined and revised from time to time by the Panel pursuant to Section M1.4;
 - (ii) the Transmission Loss Factors specified in Section T2.2.1(a);
 - (iii) the coefficient ' α ' specified in Section T2.2.1(b);
 - (iv) the Balancing Reserve Level established and revised from time to time by the Panel pursuant to Section T1.5;
 - (v) the Line Loss Factors in respect of SVA Metering Systems (or classes of SVA Metering System) approved from time to time by the Panel, or where applicable the default values established in respect thereof, pursuant to Section K1.7 together with a summarised version of such factors (as described in BSCP 528).

3. Annex V-1, Table 7 shall be amended as follows:

The following additional categories of data shall be inserted at the end of Table 7:

Category of Data	Frequency	Recipient	General Description
Profile Data Report	When requested (the data provided relates to the BSC Year preceding that in which the request is made)	Any person (on request)	Report containing profile coefficients per Settlement Period and Settlement Day, by GSP Group, Profile Class and combination of Standard Settlement Configuration and Time Pattern Regime Note: for requests made during the BSC Year ending 31 March 2002, the data will include equivalent data under the Pooling and Settlement Agreement for the period 1 April 2000 to the day before the Go-live Date

<p>Market Domain Data</p>	<p>All Suppliers: upon registration with the participation capacity of a Supplier; and thereafter whenever updated</p> <p>Any Party or any person (on request): When requested; and thereafter whenever updated</p>	<p>All Suppliers Any Party (on request) Excluding Profiling Regression data: any person (on request)</p>	<p>A report containing those data items (or changes to those items) which relate to Supplier Volume Allocation, which is distributed by the SVAA in accordance with BSCP 509.</p>
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8 ASSESSMENT

The Modification Proposal sought to make available to all BSC and Non-BSC parties the following data sets:

- ❑ Line Loss Factor (LLF) information
- ❑ Profile Coefficient Data (and a historic batch)
- ❑ Market Domain Data
- ❑ The BM Unit Aggregation Report

Line Loss Factor Information

Originally, it was envisaged that only summary LLF information should be considered. However, within the terms of reference for the Assessment Phase the Panel requested that the potential for improving the existing distribution methods for LLF be considered. The Modification Group concluded that placing the LLF data on the ELEXON website in the same format as found in file D0265 could enable a Change Proposal to be raised that would enable Suppliers/SVAA/ISRA/HHDA to download the relevant information from the website. This would negate the need for Distribution Businesses to send the information along the DTN.

The view of the Modification Group was that placing both sets of LLF data on the website would increase market transparency, and could potentially improve transmission methods for the Distribution Businesses. However, this Modification Proposal will not negate the current transmission obligations placed on Distribution Business in regard to D0265. Due to the relatively low costs and potential benefits to the electricity industry as a whole it was decided that non-BSC parties would not be charged for this part of the Modification.

Profile Coefficient Data

Currently, Profile Coefficient Data is distributed to suppliers from SVAA in file D0018. The Modification requires that this data be gathered into a yearly set of values and distributed via CD-ROM.

The Modification Group recognised that the wider distribution of the data would increase market transparency but felt that non-BSC parties should be required to pay for the development of this system and distribution costs.

The mechanism for cost recovery is mentioned above in section 5.

Market Domain Data

Currently, this data is available to all BSC Parties and is distributed to Parties via email or the DTN. Only Parties that have signed the Confidentiality Undertaking receive the Profiling Regression data.

No-Non BSC party will have signed the Confidentiality Undertaking and as such will not receive the Profiling Regression data.

This data is currently available in two flows D0269 and D0270. Both flows will be made available (minus Profiling Regression data) to non-BSC parties. This will be distributed to relevant parties via email.

The Modification Group recognised that the wider distribution of this data would increase market transparency but felt that non-BSC parties should pay for the development of the relevant systems and the distribution of the data.

The mechanism for cost recovery is mentioned above in section 5.

The BM Unit Aggregation Report

The BM Unit Aggregation Report is currently distributed to any requesting Party via the Low Grade Service (LGS). The Modification Proposal requested that this be made available to Non-BSC parties on request.

The Detailed Level Impact Assessment came back with estimated costs of £80,000 plus an 18% annual maintenance charge. Additionally, there would be an unspecified time and material cost for each report.

The Modification Group did not believe that these charges were justified. Representatives of non-Acceded parties indicated that they would not be prepared to contribute the relevant amount towards the development costs.

The Modification Group requested that ELEXON enter negotiations with the BSC Agent to discover mechanisms by which this cost could be reduced. Including P30 within the scope of the CDCA Release 2 project would reduce the Implementation cost to £60,000 plus an annual maintenance charge of 18%. Additionally, there would be an unspecified time and material cost for each report. Including P30 within the scope of the Release 2 project would delay implementation until the 25th September 2002.

The consensus view of the Modification Group was that the potential benefits resulting from the wider distribution of the BM Unit Aggregation Report did not justify the cost of implementing it. It was felt that the best way to achieve market transparency was to ensure that the other data sets could be made available to interested companies in as quick and timely method as possible. Accordingly, an Alternative Modification was recommended that excluded the BM Unit Aggregation Report from its scope. This Alternative Modification was endorsed by the Panel.

9 SUMMARY OF REPRESENTATIONS

Awaiting responses.

ANNEX 1 – REPRESENTATIONS

Awaiting responses.