

Modification Proposal – BSCP40/03MP No: 219
(mandatory by BSCCo)**Title (mandatory by originator): Consistency between Forecast and Outturn Demand****Submission Date (mandatory by originator): 26 October 2007****Description of Proposed Modification (mandatory by originator)**

The Transmission Company submits demand-related data to the BMRA in accordance with paragraph 6.1 of Section Q. Specifically, the provisions for the submission of National Demand forecasts and Initial National Demand Out-Turn are given in paragraphs 6.1.2 – 6.1.8 and 6.1.13 respectively. This data is subsequently published on the BMRS.

This proposal seeks submission and publication of additional data on the BMRS in order to improve consistency, clarity and detail of forecast and outturn demand information, and allow fuller comparison of forecast and outturn data than can be achieved at present. This should give participants more and better information in relation to forecast and outturn demand, allowing more efficient operation of the market.

The proposed change seeks to change the make up, and publication on BMRS, of demand forecast and outturn data by providing the following new data items:

1. Initial Transmission System Demand Out-Turn which **includes** Interconnector Metered Volume and the demand taken by station transformers and pumped storage units.
2. An additional National Demand forecast which does **not include** Interconnector flows and the demand taken by station transformers and pumped storage units.

The provision of the Initial Transmission System Demand Out-Turn would allow direct comparison with the current National Demand forecasts, and the provision of the additional National Demand forecast (which does not include Interconnector flows and the demand taken by station transformers and pumped storage units) would allow comparison with the current Initial National Demand Out-Turn.

Description of Issue or Defect that Modification Proposal Seeks to Address (mandatory by originator)

The current BSC provisions for submission and publication of demand forecast information from National Grid have been in place since NETA Go-Live and reflect the data that was at that time available to National Grid and which could be provided to the BMRS. As an example of the complexity of this data, the demand forecast at 09:00 does not include the Interconnector flows or demand taken by the pumped storage units as this data is not available at this time. When this data becomes available during the latter part of the day, it is included in the latter demand forecasts. We believe this change in forecast ‘background’ creates additional complexity for participants and reduces the value of the information for use in efficiently managing their physical positions.

The 09:00 demand forecast data is directly comparable with the published outturn demand data,

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however due to the complexities described above, the demand forecasts published during the latter part of the day are not. Although these differences are clearly explained in the BMRS help text and have previously been discussed by the industry in detail (see below), this ambiguity risks causing confusion to existing and particularly new participants when the demand forecast data is compared with the demand outturn data.

In 2005, National Grid raised BSC Issue 17 (among other proposals) which proposed to remove this ambiguity. None of the changes proposed in BSC Issue 17 were progressed, partly because of the unacceptable level of costs for implementation in the BMRS.

As part of National Grid's recent work with the industry and Elexon to review industry information, this issue has again been identified as an immediate step that could be taken to improving existing market information. (The consultation document and the conclusions report for this review on market information can be found at <http://www.nationalgrid.com/uk/Electricity/Data/electricitymarketinfo/> or a copy can be obtained from the proposer of this modification). Therefore National Grid is proposing to remove the current ambiguity surrounding the forecast and outturn demand data, and to better align the BSC provisions with the Grid Code.

In summary, there are two main defects in the current BSC provisions for the demand-related data:

- The complexity of the make up of the current single demand figure submitted by National Grid under the BSC section Q at various points through the day, of which the best example is that the make up of this figure currently changes after the 0900 submission.
- The fact that this single data stream, the make up of which currently changes through the day could be better broken down into two data sets, detailed in the modification description above, and thereby provide clearer, consistent and more detailed demand forecast and outturn information to market participants via BMRS.

In summary, the proposed change would improve clarity, consistency and detail of demand-related data and as such will also allow a more direct comparison between forecast and outturn demand data.

Detailed background of current demand data definitions:

- The BSC uses the term National Demand forecast to describe all demand forecasts whether or not these forecasts include Interconnector flows and the demand taken by station transformers and pumped storage units; the Grid Code distinguishes between GB National Demand (which does not include Interconnector flows and the demand taken by station transformers and pumped storage units) and GB Transmission System Demand (includes Interconnector flows and the demand taken by station transformers and pumped storage units).
- The Initial National Demand Out-Turn does not include Interconnector flows and the demand taken by station transformers and pumped storage units whereas the National Demand forecast does. Consequently the forecast and outturn demand are not directly comparable.

Impact on Code *(optional by originator)*

Section Q

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Q6.1.2(b): Shall become Q6.1.2(c), and Q6.1.2(b) shall read as follows: “the Transmission System Demand forecast expressed as an average MW value for the Settlement Period at the peak of the week”.

Q6.1.3: Add to the end of this paragraph “and the peak Transmission System Demand forecast expressed as an average MW value for the Settlement Period at the peak of the Day”.

Q6.1.5(b): Shall be deleted and replaced with the following: “the Transmission System Demand forecast expressed as an average MW value for each Settlement Period within the Operational Day”.

Q6.1.5(c): Shall be added and read as follows: “the Zonal Transmission System Demand forecast expressed as an average MW value for each Settlement Period within the Operational Day”.

Q6.1.6: Add to the end of this paragraph “(f) the Transmission System Demand forecast”

Q6.1.8: Add to the end of this paragraph “(k) the Transmission System Demand forecast”

Q6.1.8(f): Amend to read “the Zonal Transmission System Demand forecast for each BMRS Zone”.

Q6.1.13: Amend to read “No later than 15 minutes following the end of each Settlement Period, the Transmission Company shall send to the BMRA the Initial National Demand Out-Turn and Initial Transmission system Demand Out-Turn for that Settlement Period”.

The main changes to the Code are summarised below:

Section X, Annex X-2, Table X-2

Amend definition of Indicated Imbalance as follows:

Indicated Imbalance	IMBALNGC	MW	Has the meaning as defined in the Grid Code. <i>Calculated as the difference between the sum of all Physical Notifications for exporting BM Units (i.e. the Indicated Generation) and the Transmission System Demand forecast</i>
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Amend definition of Indicated Margin as follows:

Indicated Margin		MW	Has the meaning as defined in the Grid Code. <i>Calculated as the difference between the sum of all Maximum Export Limits for exporting BM Units and the Transmission System Demand forecast</i>
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Insert, after the defined term Initial National Demand Out-Turn, the following:

Initial Transmission	ITSDO	MW	The half-hour average MW demand metered by
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System Demand Out-Turn

the Transmission Company taking into account transmission losses and including station transformer load, pumped storage demand and Interconnector demand

Insert, after Transmission Loss Multiplier, the following:

Transmission System Demand

Has the meaning given to the term GB Transmission System Demand as defined in the Grid Code.

Amend description of National Demand to read as follows:

National Demand

Has the meaning given to the term GB National Demand as defined in the Grid Code.

Section V, Annex V-1, Table 1-BMRS

Insert, after 2-14 day ahead National Demand forecast (NDFD), the following:

2-14 day ahead Transmission System Demand forecast (TSDFD) – daily peak half hour value

Daily

Tabular

Previous forecast

Insert, after 2-52 week ahead National Demand forecast (NDFW), the following:

2-52 week ahead Transmission System Demand forecast (TSDFW) – weekly peak half hour value

Weekly

Tabular

Previous forecast

Insert, after Day ahead National Demand forecast, the following:

Day ahead Transmission System Demand forecast – value for each half hour

Daily

Tabular and graphic for D-1, D to D+1.
Otherwise tabular

Previous forecast

Amend “Updates of day ahead Indicated Imbalance (IMBALNGC).....” to read:

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Updates of day ahead Indicated Imbalance (IMBALNGC), INDGEM, INDDM, National Demand forecast and Transmission System Demand forecast – values for each half hour or each remaining half hour in day D	5 times each day	Tabular and graphic for D-1, D to D+1. Otherwise tabular	Previous forecast
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Insert, after Initial National Demand Out-Turn (INDO), the following:

Initial Transmission System Demand Out-Turn (ITSDO)	Half hourly	Tabular and graphic for D-1, D to D+1. Otherwise tabular	None
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Amend “Zonal day ahead Demand forecast” to read:

Zonal day ahead Transmission System Demand forecast – values for each half hour in each BMRS Zone	Daily	Tabular and graphic	None
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Impact on Core Industry Documents or System Operator-Transmission Owner Code (optional by originator)

None.

The proposed changes utilise the current terms defined in the Grid Code. If the changes are implemented as proposed, there will be no impact on the Grid Code.

Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties (optional by originator)

Changes will be required to the system interfaces that transmit data from Transmission Company to BMRS, and to the BMRS system.

Impact on other Configurable Items (optional by originator)

BMRA & SAA Interface Specification - changes to this Specification need to be agreed between the Transmission Company and Elexon.

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(mandatory by BSCCo)**Justification for Proposed Modification with Reference to Applicable BSC Objectives**
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Provision of better quality information could improve self-balancing by the market participants which could, in turn, improve the efficient, economic and co-ordinated operation of the GB transmission system (Applicable BSC Objective (b)).

Increase in information transparency and availability of improved market information to all participants should promote effective competition in the generation and supply of electricity (Applicable BSC Objective (c)).

Improvements to the definitions of demand terms could remove ambiguity in the BSC thereby reducing the number of queries to Elexon and promoting efficiency in the implementation and administration of the balancing and settlement arrangements (Applicable BSC Objective (d)).

Urgency Recommended: Yes / No (delete as appropriate) (optional by originator)**Justification for Urgency Recommendation** (mandatory by originator if recommending progression as an Urgent Modification Proposal)**Details of Proposer:****Name:** *Shafqat Ali***Organisation:** *National Grid***Telephone Number:** *01926 655980***Email Address:** *shafqat.r.ali@uk.ngrid.com***Details of Proposer's Representative:****Name:** *Shafqat Ali***Organisation:** *National Grid***Telephone Number:** *01926 655980***Email address:** shafqat.r.ali@uk.ngrid.com

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Attachments: ~~Yes~~ / No (delete as appropriate) (mandatory by originator)

If Yes, Title and No. of Pages of Each Attachment: