133/07

INITIAL WRITTEN ASSESSMENT for Modification Proposal P218 'Facilitating Microgeneration within the BSC'

Prepared by: ELEXON Limited[1]

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This document has been distributed in accordance with Section F2.1.10 of the Balancing and Settlement Code.[2]

P218 seeks to create a mechanism to allow more Microgeneration to be accounted for within the Settlement process by treating it in a similar way to Non Half Hourly (NHH) Unmetered Supply (UMS). The aim of this Modification is to reduce the associated industry costs and the complexity of Settlement processes for Suppliers and Supplier Agents, and thereby facilitate increased Settlement of Microgeneration Export. This Modification aims to introduce a new agent (Microgeneration Export Operator) who would collate Microgeneration data and create export Estimated Annual Consumptions (EACs) which can then be passed into Settlement using the existing Data Collector/Aggregator systems.

BSCCO'S RECOMMENDATIONS

On the basis of the initial assessment, BSCCo invites the Panel to:

- **DETERMINE that Modification Proposal P218 should be submitted to the Assessment Procedure;**
- **AGREE the Assessment Procedure timetable such that an Assessment Report should be completed and submitted to the Panel for consideration at its meeting of 13 March 2008;**
- **DETERMINE that the P218 Modification Group be formed from members of the Volume Allocation Standing Modification Group; and additional members from the Energy Networks Strategy Group (Work Program 4 Project 2 Team); and**
- **AGREE the Modification Group Terms of Reference.**

[1] ELEXON Ltd fulfils the role of the Balancing and Settlement Code Company ('BSCCo'), pursuant to Annex X-1 of the Balancing and Settlement Code (the 'Code').

[2] The current version of the Code can be found at http://www.elexon.co.uk/bscrelateddocs/BSC/default.aspx.

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SUMMARY OF IMPACTED PARTIES AND DOCUMENTS

As far as BSCCo has been able to assess, the following parties/documents are potentially impacted by Modification Proposal P218.

Please note that this table represents a summary of the full initial impact assessment results contained in Appendix 2.

Parties		Sections of the BSC		Code Subsidiary Documents	
Distribution System Operators	☒	A	☐	BSC Procedures	☒
Generators	☐	B	☐	Codes of Practice	☐
Interconnectors	☐	C	☐	BSC Service Descriptions	☒
Licence Exemptable Generators	☐	D	☐	Party Service Lines	☒
Non-Physical Traders	☐	E	☐	Data Catalogues	☒
Suppliers	☒	F	☐	Communication Requirements Documents	☐
Transmission Company	☐	G	☐	Reporting Catalogue	☒
Party Agents		H	☐	**Core Industry Documents**	
Data Aggregators	☒	I	☐	Ancillary Services Agreement	☐
Data Collectors	☒	J	☒	British Grid Systems Agreement	☐
Meter Administrators	☐	K	☐	Data Transfer Services Agreement	☐
Meter Operator Agents	☒	L	☒	Distribution Code	☐
ECVNA	☐	M	☐	Distribution Connection and Use of System Agreement	☐
MVRNA	☐	N	☐	Grid Code	☐
BSC Agents		O	☐	Master Registration Agreement	☒
SAA	☐	P	☐	Supplemental Agreements	☐
FAA	☐	Q	☐	Use of Interconnector Agreement	☐
BMRA	☐	R	☐	**BSCCo**	
ECVAA	☐	S	☒	Internal Working Procedures	☐
CDCA	☐	T	☐	**BSC Panel/Panel Committees**	
TAA	☐	U	☐	Working Practices	☐
CRA	☐	V	☐	**Other**	
SVAA	☒	W	☐	Market Index Data Provider	☐
Teleswitch Agent	☐	X	☒	Market Index Definition Statement	☐
BSC Auditor	☒			System Operator-Transmission Owner Code	☐
Profile Administrator	☐			Transmission Licence	☐
Qualification Agent	☒				
Other Agents					
Supplier Meter Registration Agent	☐				
Unmetered Supplies Operator	☐				
Data Transfer Service Provider	☐				

1 DESCRIPTION OF PROPOSED MODIFICATION

1.1 Background

1.1.1 Microgeneration

Microgeneration is the production of electricity by small-scale distributed generators (including domestic customers). The Energy Act 2004 defines Microgeneration as having a generation capacity of less than 50 kW. However, it should be noted that not all generation below 50 kW is treated in the same way, and in some contexts other capacity thresholds are important:

- The capacity limit for connecting to the distribution system without prior approval from the Distributor is 16 amps per phase (i.e. about 3.5 kW for a single-phase supply).
- The capacity limit for settling generation using NHH meter readings has been set by the BSC Panel (with the approval of Ofgem) to 30 kW.

Microgeneration technologies include; micro-wind, micro-hydro, Solar Photo-Voltaic (PV) and micro-Combined Heat and Power (CHP) (modified water/heating boiler).

1.1.2 Energy Networks Strategy Group

In 2007 a report by the Microgeneration Work Programme of the Distribution Working Group of the Energy Networks Strategy Group (ENSG WP04-P02) - 'Scheme to Reward Microgenerators Exporting Excess Electricity'[3] recommended that:

'Suppliers should initiate the change management procedures required to progress Option 1 (allowing Suppliers to register a customer's export and import under a single registration (a single Meter Point Administration Number (MPAN)) through the industry's normal change management procedures.'

This report has led to renewed interest in Microgeneration and prompted the raising of Modification Proposal P213 which has been rejected by the Authority.

1.1.3 Approved Modification P081

The existing process for Microgeneration was introduced with P081 'Removal of the Requirement for Half Hourly (HH) Metering on Third Party Generators at Domestic Premises' and was implemented in September 2003. P081 introduced a new process of NHH Settlement of Export Metering for small quantities of generation (below a 30kW threshold). Prior to the implementation of P081, generation could only be taken into account in Settlement if a HH Meter was installed.

P081 requires that two MPANs[4] are used for these types of sites – one for Import and another for Export. Each MPAN then has its own Standard Settlement Configuration (SSC), Profile Class (PC) and Time Pattern Regime (TPR). The SSC refers to the number of registers on the NHH Meter that record consumption (or Microgeneration); the TPR represents the switching times for each register and the PC is the type of usage by the customer for a given MPAN.

It is noted that the industry take up of the P081 processes has been limited, there are only approximately 30 Export meters of this type registered[5] in Settlement out of over 3,000 installations.

[3] The ENSG Report is available to download.
[4] MPAN (Metering Point Administration Number) is the term referred to in the MRA, which identifies a SVA Metering System and Metering System Identifier, or MSID is the term used under the BSC. For consistency with the term used in P213, this IWA shall refer to MPAN.
[5] Panel Paper 121/08 contains more information regarding the approved Modification P81 and the uptake of this process.

1.1.4 Modification Proposal P213

P213 was raised on 27 April 2007 by E.ON UK and aimed to remove the requirement to have two separate MPANs for NHH Import/Export sites, and to allow (where requested) Import and Export to be registered to a single MPAN. The intention of P213 was to reduce the complexity and cost of the associated industry processes and, in doing so, facilitate increased Settlement of Microgeneration Export.

Under the process proposed by P213, a Supplier was no longer required to request an additional MPAN if they wish to settle Microgeneration at a particular customer site. Instead they could request that the existing MPAN be allocated to a new SSC for NHH Import/Export. As a result, no appointment processes would be required for a new MPAN, just a reconfiguration request (for a new SSC). The reconfiguration request would trigger the Meter Operator Agent (MOA) and Non Half Hourly Data Collector (NHHDC) to install Import/Export metering and collect meter readings appropriately. Additionally, no change was proposed to the physical metering at these sites and the solution proposed was intended to be an alternative to the current processes (rather than replacing them). The P213 Group also developed an Alternative that sought to utilise only the single MPAN solution for Settlement of NHH Export (i.e. remove the P081 solution).

During Assessment it was noted that this new process introduced further challenges to maintaining the accuracy of the Settlement of Microgeneration Import and Export. For example, using a single MPAN would mean that a single Profile Class is assigned for both Import and Export; and a single MPAN would mean that energy could only be allocated to Import or Export in a given half hour, whereas Microgeneration sites often Import and Export in the same half hour.

Following the Assessment Report from the Modification Group, the Panel decided not to recommend the approval of P213[6] to the Authority. The Panel further proposed that a Change Proposal issue be raised to consider potential changes to simplify the processes for settling NHH Export. CP issue 2 is being progressed; therefore assessment of P218 may need to be aware of any further developments/recommendations from this group.

The Authority rejected the Proposed and Alterative Modifications P213[7]. Both the Panel and the Authority considered the solutions proposed did not sufficiently present a process that better facilitates the achievement of the Applicable BSC Objectives.

1.2 Modification Proposal

P218 was raised on 23 October 2007 by Good Energy Ltd ('the Proposer'). P218 seeks to create a process to allow more Microgeneration to be accounted for within the Settlement process by treating it in a similar way to NHH Unmetered Supply. The aim of this Modification Proposal is to reduce the associated industry costs and the complexity of Settlement processes for Suppliers and Supplier Agents, and thereby facilitate increased Settlement of Microgeneration Export.

1.2.1 Unmetered Supply (UMS)

P218 proposes that the values from Microgeneration be treated in Settlement using a similar methodology to that established for UMS. According to BSCP520, all energy transfers at points of connection and/or supply via circuits connected to the Licensed Distribution System are metered, except in a limited number of defined circumstances. These exceptions, known as Unmetered Supplies, are at the discretion and approval of the Unmetered Supplies Operator (UMSO) of the Licensed Distribution System Operator (LDSO). The UMSO will only consider providing an UMS at an exit point where:

i) the electrical load is of a predictable nature; and either:

a) the electrical load is less than 500W; or

[6] Panel Paper 131/04 contains more information regarding the Panel's Decision on P213.
[7] Ofgem Decision for P213contains more information regarding Ofgem's decision on P213.

b) it is financially or technically impractical to install a Meter due to:

- the anticipated metering costs in the particular case being significantly higher than the usual metering costs associated with that size of electrical load;
- technical difficulties associated with providing such a Meter in the particular case; or
- operation of law so as to prohibit or make excessively difficult the provision of such a Meter in the particular case; and

iii) where the UMSO has received sufficient information to enable the NHH EAC to be accurately determined.

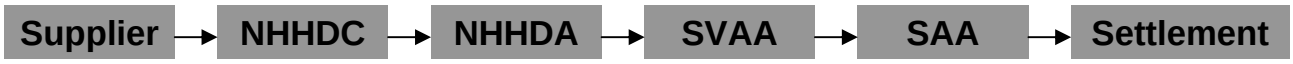
Where the criteria above are met, the LDSO can provide the UMSO service.

The Proposer of P218 suggests that the data from Microgeneration can be processed by determining NHH EACs and applying these to the current Settlement process.

1.2.2 Current Process for NHH Settlement

The current system for Settlement involves Suppliers using NHHDC to collate metered data and calculate an EAC for each Meter register. The EACs are forwarded to Data Aggregators (DAs) who aggregate the data to form a matrix of information, known as the Supplier Purchase Matrix (SPM). The SPM contains aggregated metered data for each combination of Supplier, Grid Supply Point (GSP) Group, SSC, TPR and PC. The SPM is then sent to the Supplier Volume Allocation Agent (SVAA) which aggregates the data further to calculate the Suppliers Metered Volumes. Finally, this information is forwarded to the Settlements Administration Agent (SAA) which allows for the financial calculations arising from the Settlement process (see Figure 1 below).

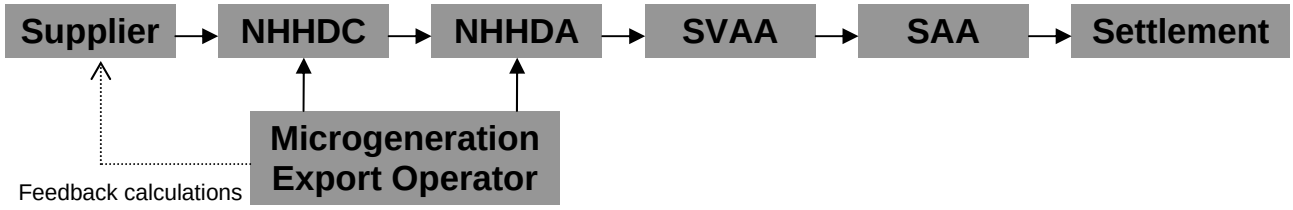
Figure 1 shows the existing process for NHH Settlement.



P218 Proposal for Microgeneration Settlement

This modification aims to work with the existing system and introduces a new agent (Microgeneration Export Operator) who would collate Supplier and Supplier Agents' data and create export EACs which can then be passed into Settlement using the existing systems. This process requires Suppliers and Supplier Agents to keep a schedule of all their sites where they have Microgeneration, including the type and kW rating of the generation of each system. The Suppliers and Supplier Agents would send this information to the new Microgeneration Export Operator who would apply an agreed calculation to the data to create a single export EAC. The Microgeneration Export Operators would assign a Pseudo MPAN to this data and forward it to NHHDCs or Non Half Hourly Data Aggregators (NHHDA) who would pass this information on to Settlement (see Figure 2 below).

Figure 2 shows the P218 proposed modification process adapting the existing process.



2 AREAS FOR CONSIDERATION IN PROGRESSING MODIFICATION PROPOSAL

An initial assessment of P218 has identified the following areas which BSCCo recommends should be considered further during the progression of the Modification Proposal:

2.1 Calculation of EAC

P218 proposes that a Supplier wishing to partake in Microgeneration Settlement can have a single 'Pseudo' MPAN in each GSP Group which would be assigned a single Export EAC.

After discussion with the Proposer it was established that the intention is that an average percentage of export per kW capacity is calculated and applied across all micro-generators. The Proposer further suggested that this percentage figure could be reviewed by the Panel periodically, if any evidence is presented to it to suggest a change was required.

In order to produce an estimate of the Export under P218 the Group would need to establish the type and capacity of the Microgenerator, it is assumed that a standard output volume could be agreed for each type of Microgenerator that could be used in this calculation.

The use of a generic profile for types of Microgeneration may lead to inaccuracies, therefore the Group may wish to consider whether there are any alternative solutions which would allow the Microgeneration Export values to take into account the varying types of Microgeneration whilst still addressing the defect highlighted in the proposal i.e. that incorporating Microgeneration in Settlements is currently too complicated and costly.

For example an alternative solution could be for one EAC to be calculated for each type of Microgeneration system e.g. one EAC for wind generation and a separate EAC for micro CHP generation. Following the approval of Modification P081, specific Export SSCs for different types of Microgeneration Export Meters were produced and used to produce Export EACs. These Microgeneration type specific EACs could then be assigned to different registers of the same MPAN. In order to calculate the Metered Volume, the SVAA would use a new Export SSC which would point to a substitution table containing the specific SSCs for each type of Microgenerator. The use of the substitution table is similar to the solution proposed under P213.

A further alternative solution would be to produce individual EACs for each type of Microgeneration, as described above, and to process these EACs individually i.e. aggregated Metered Volumes would be produced for each Microgeneration type per Supplier, per GSP Group. This option may require a Supplier to register more than one Microgeneration Export MPAN within a given GSP Group depending on the types of Microgenerator that they are responsible for.

Finally the Modification states that the Microgeneration Export Operator would calculate the EAC and pass it to the NHHDC/NHHDA who would process the EAC using the normal Settlement processes. The Group should consider how this information would be transferred to the NHHDC/NHHDA and whether there are any alternative solutions which would reduce the impact on Suppliers and Party Agents, for example whether it is possible for information to be passed directly to the Supplier Volume Allocation Agent (SVAA).

2.2 Details of the Proposed Solution

The Group would need to agree the specific process to be implemented under the P218 solution and whether there are any alternative solutions to be taken considered. Impacts on the BSC Agents, Parties, Party Agents and BSC documentation would need to be considered. The following specific impacts may need to be assessed depending on the proposed solution(s):

- Impact on Market Domain Data, and the SVAA software;
- Impact on NHH agents if there are additional requirements placed on them regarding the aggregation of Microgeneration data and EAC calculation;
- Any new requirements for reporting by BSCCo, SVAA or to participants (incl. Licensed Distribution Supplier Operators (LDSOs)); and

- Impact on the BSC documentation in terms of the amount of information to be included in the Code itself, and also whether the detailed process sits within a current BSCP e.g. BSCP504 or whether a new BSCP should be produced.

2.3 Current Microgenerators in Settlement

The Modification Group will need to consider how this proposal interacts with the current regulations and for sites where NHH Export Meters are installed. The Group could consider an Alternative which mandates the P218 solution.

2.4 Status of Microgeneration Export Operator

The Modification Group will need to consider how a 'new agent' (Microgeneration Export Operator) suggested by P218 would be effected. This could be a new Party Agent or BSC Agent, or whether the role would be added to the list of responsibilities of a current Party Agent.

2.5 Change of Supplier

The Modification Group will need to consider a process which ensures that the EAC is recalculated upon Change of Supplier by both the old and new Supplier. This would reduce the risk that Microgenerators are either double counted in Settlement or not included in either Supplier's Metered Volumes. Additionally, as P218 will run in parallel with the P081 arrangements, the Change of Supplier processes must allow for smooth transfer between the arrangements.

2.6 Auditing and Qualification

The Modification Group will need to consider how the new processes will have an impact on Settlement accuracy and therefore it may be necessary for the process to be added to the scope of the BSC Audit. In addition any new Party Agent may be required to undergo Qualification activities.

2.7 Master Registration Agreement (MRA)

The Modification Group will need to consider the affect on the MRA. It may be necessary for MRA Change Proposals to be raised. Therefore the MRA should be kept informed of the assessment of P218 to ensure consistency of approach and similar timescales for implementation (joint change process). The Modification Group may need to consider any new data flows which will be created and the method of transfer of this information.

2.8 Benefit/Costs of Microgeneration Settlement

The Modification Group may want to undertake analysis to try to quantify the potential benefits should P218 be approved.

3 RATIONALE FOR BSCCO'S RECOMMENDATIONS TO THE PANEL

BSCCo believes that further consideration of P218 by a Modification Group is required in order to further consider, and consult upon, the areas raised by this IWA. As the areas for consideration are sufficiently defined, BSCCo recommends that P218 proceed to the Assessment Procedure.

BSCCo recommends that P218 be submitted to a 4-month Assessment Procedure.

It is estimated that progression of P218 will require:

- 5 Modification Group meetings;
- 1 industry consultation;
- 1 BSC Agent impact assessment;
- 1 Party/Party Agent impact assessment;
- 1 Core Industry Document Owner impact assessment;

- 1 BSCCo impact assessment; and
- 1 request for Transmission Company analysis.

The proposed timetable and estimated costs for the progression of P218 are shown in Appendix 3.

BSCCo recommends that the P218 Modification Group be formed from members of the Volume Allocation Standing Modification Group, whose areas of expertise include NHH Supplier Agents and Supplier Volume Allocation. It is proposed that the Group should be supplemented by attendees from the ENSG WP04-P02 Project Team, who have experience of Microgeneration and the background to issue behind P213.

BSCCo recommends that the areas for consideration raised by this IWA should form the basis of the Modification Group Terms of Reference, along with any additional areas proposed by the Panel.

4 TERMS USED IN THIS DOCUMENT

Other acronyms and defined terms take the meanings defined in Section X of the Code.

Acronym / Term	Definition
AA	Annualised Advance
BSC	Balancing and Settlement Code
BSCCo	Balancing and Settlement Code Company
CHP	Combined Heat and Power
DTC	Data Transfer Catalogue
EAC	Estimated Annual Consumption
GSP	Grid Supply Point
LDSO	Licensed Distribution Supplier Operator
LLFC	Line Loss Factor Class
MOA	Meter Operator Agent
MPAN	Metering Point Administration Number
MRA	Master Registration Agreement
NHHDA	Non Half Hourly Data Aggregator
NHHDC	Non Half Hourly Data Collector
PC	Profile Class
PV	Photo-Voltaic
SAA	Settlement Aggregation Agent
SPM	Supplier Purchase Matrix
SSC	Standard Settlement Configuration
SVAA	Supplier Volume Allocation Agent
TPR	Time Pattern Regime

5 DOCUMENT CONTROL

5.1 Authorities

Version	Date	Author	Reviewer	Reason for Review
0.1	29/10/07	Dina Solanki	Sarah Jones	For peer review
0.1	26/10/07	Dina Solanki	David Jones	For peer review
0.2	30/10/07	Dina Solanki	Sarah Jones	For technical review
0.3	31/10/07	Dina Solanki	David Jones	For quality review
0.4	01/11/07	Dina Solanki	David Jones	For quality review
1.0	02/11/07	Change Delivery		For Panel decision

5.2 References

Ref.	Document Title	Owner	Issue Date	Version
1	ENSG Report	DTI	2007	N/A
2	Panel Paper 121/08 'Settlement of Microgeneration Export'	ELEXON	14/12/06	N/A
3	Panel Paper 131/04 Draft Modification Report for Modification Proposal P213 'Facilitating Microgeneration (Optional Single MPAN)'	ELEXON	13/09/07	N/A
4	Ofgem Decision for P213	Ofgem	22/10/07	N/A

APPENDIX 1: MODIFICATION PROPOSAL

Modification Proposal – BSCP40/03	MP No: 218 *(mandatory by BSCCo)*

Title of Modification Proposal :
Facilitating Microgeneration within the BSC

Submission Date: 23rd October 2007

Description of Proposed Modification

The modification is to create a process to allow more microgeneration to be accounted for within the settlement process by treating it in a similar way to NHH unmetered supplies.

Each supplier will have a single Pseudo Meter (MPAN) in each GSP group. The supplier will keep a schedule of all sites where they have microgeneration including the type and kW rating of the generation. This will be sent to a new agent (Microgeneration Export Operator) who will use an agreed calculation to create a single export EAC based on a supplier's aggregated microgeneration within each GSP group and assign it to the relevant pseudo meter (MPAN). This will then be passed into settlements as per normal, and will be netted off the supplier's take by the relevant NHHDA.

Description of Issue or Defect that Modification Proposal Seeks to Address

Currently, microgeneration is proving too costly to enter into the settlement arrangements. The costs to the supplier have been deemed to be greater than the energy benefit because of the relatively small amount of energy concerned. Ofgem in its reasoning for rejection of modification P213 suggests that only a generator exporting in excess of 400kW a year could be viable under current arrangements. This means export of less than 400kW a year are potentially loss making to Suppliers, and Suppliers would need to see export well above that to commercially enter the market.

Under this proposal there would be no requirement for the customer to have settlement standard export metering or an export MPAN. The supplier would only need to record the relevant information which is updated as required and sent to the new agent (Microgeneration Export Operator) who then calculates the EAC for the relevant pseudo meter (MPAN), and passes that to the supplier's appointed NHHDC/DA.

Impact on Code

The code would need to recognise the new agent (Microgeneration Export Operator), agree to formula for calculating the EAC. They would probably require an additional BSCP.

Impact on Core Industry Documents or System Operator-Transmission Owner Code

Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties

No impact on the BSC systems, although it may be deemed that the software used to calculate the EAC be created by Elexon to sit along side the current EAC/AA calculator.

Modification Proposal – BSCP40/03	MP No: 218 *(mandatory by BSCCo)*

Impact on other Configurable Items

Justification for Proposed Modification with Reference to Applicable BSC Objectives

The proposal meets objective C (The promotion of 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) in that it promotes competition in the microgeneration market. The reason that unmetered supplies exists the current market was the cost of metering small amounts of demand (e.g. each street light) was uneconomic, and microgeneration is in the same situation except it is on the export side of the coin.

The proposal meets Objective D (The promotion of efficiency in the implementation and administration of the balancing and settlement arrangements) in that it removes the complexities of the market for the smallest generation sites, and makes the administration of these sites more efficient. It also protects the market as currently most microgeneration is outside the settlement arrangements and thus ends up in the Group Correction Factor.

The proposal also meets Ofgem's obligation to promote sustainability.

Urgency Recommended: No

Justification for Urgency Recommendation

Details of Proposer:

Name……Chris Welby……

Organisation……Good Energy Ltd……

Telephone Number 01249 767480……

Email Address…chris.welby@good-energy.co.uk……

Modification Proposal – BSCP40/03	MP No: 218 *(mandatory by BSCCo)*

Details of Proposer's Representative:

Name……Chris Welby……

Organisation……Good Energy Ltd……

Telephone Number 01249 767480……

Email Address…chris.welby@good-energy.co.uk……

Details of Representative's Alternate:

Name……

Organisation……

Telephone Number……

Email address……

Attachments: No *(delete as appropriate) (mandatory by originator)*

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

APPENDIX 2: INITIAL ASSESSMENT OF IMPACTS OF MODIFICATION PROPOSAL

An initial assessment has been undertaken by BSCCo in respect of all BSC systems, documentation and processes. The following have been identified as being potentially impacted by P218.

a) Impact on BSC Systems and Processes

BSC System / Process	Potential Impact of Proposed Modification
SVAA	Depending on the solution, there may be an impact.
New Microgeneration Export Operator Software	Possible new Microgeneration Export Operator Software.
Qualification	A new Supplier agent may be required to undertake Qualification and Audit processes.

b) Impact on BSC Agent Contractual Arrangements

BSC Agent Contract	Potential Impact of Proposed Modification
Cap Gemini (SVAAO)	Possible amendments may be required to the contract, depending on the extent of change proposed.
PwC (BSC Auditor, Certification Agent)	The BSC Auditor may need to audit the new Microgeneration Export Operator. The new Microgeneration Export Operator may need to undergo Qualification and become a Qualified Agent.

c) Impact on BSC Parties and Party Agents

Suppliers wishing to participate in Settlement using the Microgeneration Export Operator will experience impacts to their internal systems, based on changes to the MDD and other changes such as incorporating new software to existing systems.

As the P081 and P218 processes are expected to run parallel with each other, existing Suppliers may not be impacted. However, the Change of Supplier processes must allow for smooth transfer between the arrangements of P081 and P218. This may impact some Supplier processes which need to manage two different arrangements. NHH Supplier Agents may need to update their systems and will need to update their processes for progressing the data of the 'Pseudo MPAN'.

Depending on the extent of change proposed, LDSOs could be impacted by the Proposed Modification as they will need to accept new SSCs for Import/Export MPANs and assign the correct Line Loss Factor Classes (LLFCs) etc.

d) Impact on Transmission Company

No impact.

e) Impact on BSCCo

Area of Business	Potential Impact of Proposed Modification
Implementation	ELEXON will be required to implement changes to the Code, Code Subsidiary Documents (CSDs) and BSC Systems to support this Modification Proposal.
MDD	There may be an impact on the Market Domain Data to possibly allow multiple EACs for single MPANs. There may be impacts on the Customer Operations Team, depending on the solution chosen for Market Domain Data.

f) Impact on Code

Code Section	Potential Impact of Proposed Modification
Section J	Amendment to recognise the role and duties of 'Microgeneration Export Operator'.
Section L	Amendment to the Metering section may be required depending on the proposed solution.
Section S, Annex S-2	Amendment to the Supplier Volume Allocation section may be required depending on the proposed solution.
Section X, Annex X-1, X-2	Amendment to the General and Technical Glossary Section may be required depending on the proposed solution.

g) Impact on Code Subsidiary Documents

Document	Potential Impact of Proposed Modification
New Microgeneration Export Operator BSCP	New BSCP for the Microgeneration Export Operator.
BSCP 01 Overview of Trading Arrangements	Need to add new Agent.
BSCP 70 Qualification Testing for Parties and Party Agents	Need to add new Agent.
BSCP 504 Non Half Hourly Data Collection for Metering Systems Registered in SMRS	Amendments for Microgeneration.
BSCP 505 Non Half Hourly Data Aggregation for SVA Metering Systems Registered in SMRS	Possible minor change for Microgeneration.
BSCP 507 Supplier Volume Allocation Standing Data Changes	Possible minor change for Microgeneration (depending on solution).
BSCP 508 Supplier Volume Allocation Agent	Possible change to SVAA (depending on solution).
BSCP 509 Changes to Market Domain Data	Possible change to MDD (depending on solution).
BSCP 514 SVA Meter Operations for Metering Systems registered in	Possible minor change.

Document	Potential Impact of Proposed Modification
SMRS	
BSCP 516 Allocation of Profiles & SSCs for Non Half Hourly Metering System Registered in SMRS	Possible minor changes (MPAN profile or note about Microgeneration Export Operator).
BSCP 537 Qualification	Need to add Microgeneration Export Operator Party Agent.
BSCP 537 Qualification Appendix 3.1	Need to add Microgeneration Export Operator Party Agent.
Self Assessment Document (SAD)	Need to add Microgeneration Export Operator Party Agent.
BSCP 537 Qualification Appendix 3.2 Testing Requirements	Need to add Microgeneration Export Operator Party Agent.
BSCP 537 Qualification Appendix 3.3 Guidance Notes on completion of the SAD	Need to add Microgeneration Export Operator Party Agent.
PSL100	Possible minor generic amendment to PSL100.
SVA Data Catalogues	P flows may need to be amended. Changes to D-flows will affect DTC although, some notes may need to be added to the SVA DCs.
SVAA Service Description	Possible change depending on solution (Profiles).
SVAA URS	Possible change depending on solution (Profiles).
SVAA (ISRA) Functional Definition	Possible change depending on solution (Profiles).
SVAA (ISRA) Logical Data Design	Possible change depending on solution (Profiles).
SVAA (ISRA) Release Notes	Possible change depending on solution (Profiles).
SVAA (ISRA) Technical Specification	Possible change depending on solution (Profiles).
Party and Party Agent Obligation Matrix	New Party Agent needs to be included.
ELEXON Agents model	Amendments required if software changes are undertaken.

h) Impact on Core Industry Documents and Other Documents

Document	Potential Impact of Proposed Modification
Master Registration Agreement	It may be necessary for MRA Change Proposals to be raised. Therefore the MRA should be kept informed of the assessment of P218 to ensure consistency of approach and similar timescales for implementation (joint change process).

i) Impact on Other Configurable Items

No impact.

j) Impact on BSCCo Memorandum and Articles of Association

No impact.

k) Impact on Governance and Regulatory Framework

No impact.

APPENDIX 3: COSTS AND TIMETABLE FOR PROGRESSION

ESTIMATED COSTS OF PROGRESSING MODIFICATION PROPOSAL[8] THROUGH ASSESSMENT PROCEDURE

Meeting Cost	£ 2,500
Legal/Expert Cost	£ 0
Impact Assessment Cost	£ 8,000
ELEXON Resource	154 man days £ 27,315

[8] Clarification of the meanings of the cost terms in this appendix can be found on the BSC Website at the following link:
http://www.elexon.co.uk/documents/Change_and_Implementation/Modifications_Process_-_Related_Documents/Clarification_of_Costs_in_Modification_Procedure_Reports.pdf

TIMETABLE FOR PROGRESSION

ID	Task Name	Duration	Start
1	P218 Procedure	109 days	Mon 12/11/07
2	Present IWA to Panel	1 day	Fri 09/11/07
3	MG Meeting 1	1 day	Mon 12/11/07
4	Undertake Analysis	19 days	Tue 13/11/07
5	MG Meeting 2	1 day	Mon 10/12/07
6	Draft Requirement Specificati	5 days	Tue 11/12/07
7	MG Meeting 3	1 day	Tue 18/12/07
8	Update Requirement Specifica	10 days	Wed 19/12/07
9	MG Review of Requirement S	5 days	Wed 02/01/08
10	Update Requirement Specifica	2 days	Wed 09/01/08
11	Conduct Impact Assessment	11 days	Fri 11/01/08
12	Draft Consultation Document	11 days	Fri 11/01/08
13	Collate responses of Impact A	2 days	Mon 28/01/08
14	MG Meeting 4	1 day	Wed 30/01/08
15	Update Consultation Documer	3 days	Thu 31/01/08
16	Mod Group Review of Consult	3 days	Tue 05/02/08
17	Update Consultation Documer	1 day	Fri 08/02/08
18	Conduct Consultation	9 days	Mon 11/02/08
19	Draft Legal Text	9 days	Mon 11/02/08
20	Collate Consultation response	1 day	Fri 22/02/08
21	MG Meeting 5	1 day	Mon 25/02/08
22	Draft Assessment Report	3 days	Tue 26/02/08
23	Review the Legal text	3 days	Tue 26/02/08
24	Review Assessment Report	3 days	Fri 29/02/08
25	Update Legal Text	3 days	Fri 29/02/08
26	Update Assessment Report	1 day	Thu 06/03/08
27	Panel Paper Day	1 day	Fri 07/03/08
28	Present Assessment Report to	1 day	Thu 13/03/08
29	Draft Modification Report and	1 day	Fri 14/03/08
30	Internal Review	1 day	Mon 17/03/08
31	Send Consultation	10 days	Tue 18/03/08
32	Report to Panel	1 day	Fri 04/04/08
33	Present Report to Panel	1 day	Thu 10/04/08