

# NETA Change Form

Title		Version No.
P175 -'Development of Provisions Related to Certain Bid-Offer Acceptances Issued Pursuant to the Grid Code (e.g. BC2.9 and BC2.10)'		0.1
		LogicaCMG Reference
		ICR628
ELEXON Reference	Date CP Received	Date IA Issued
MP175	2-Nov-2004	10-Nov-2004
LogicaCMG Contact Name	Baseline for Impact Assessment	
Martin Godden	P175 Requirements Specification version Final/1.0 dated 2/11/04 [P175AS]	
Price Breakdown		
Item description	Remarks	Price (ex VAT)
Change Specific		£ 7452
Incremental Release Costs		£ 0
Fixed Release Costs		£ 0

Total Price (ex VAT)	£ 7452
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Price Tolerance	0%
Justification for Price Tolerance	
N/A	

Project Duration	4 weeks
Cut Off Date for Inclusion in Specified Release (if applicable)	
N/A	

Operational Price (e.g. per event) (ex VAT)	£ 175
Rationale	
See attached Price Breakdown.	

<b>Annual Maintenance Price (ex VAT)</b>	£ 0
<b>Rationale</b>	
The Annual Maintenance Price is zero under the agreement commencing on 1 January 2005.	

<b>Validity Constraints</b>	
<ul style="list-style-type: none"> <li>• Price and duration assume that this change is developed in isolation and the effects of other changes are excluded.</li> <li>• Price is for creating DCRs, not a formal documentation issue.</li> <li>• No allowance is included for the final solution being different from the baseline.</li> <li>• No allowance is included for supporting Release Audit activities. Any effort will be charged at contracted T&amp;M rates</li> <li>• No allowance is included for supporting ELEXON assurance activities. Any effort will be charged at contracted T&amp;M rates</li> <li>• No allowance is included for End to End/Participant Testing activities. Any effort will be charged at contracted T&amp;M rates</li> <li>• No allowance is included for Walkthrough activities. Any effort will be charged at contracted T&amp;M rates</li> <li>• No allowance is included to support ELEXON in parallel run testing activities</li> </ul> <p>The validity period for this quote is 30 days and the offer is based on the following payment schedule:</p> <ul style="list-style-type: none"> <li>• LogicaCMG will invoice in full for this change on deployment or within one month of the change being ready for deployment</li> <li>• Operate charge invoicing will be deferred until the de minimis limit has been reached</li> </ul>	
<b>Authorised Signature</b>	<b>Date Signed</b>

<b>Requirements and Solution</b>
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<b>Brief Summary of Change</b>
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Under P175 a new mechanism would be introduced that would treat deemed Grid Code Acceptances in the following way:

- As soon as possible after issuing the instruction the Transmission Company would notify industry via the Balancing Mechanism Reporting Agent (BMRA);
- Post event and to set timescales, the Transmission Company would construct the Acceptance Data required to represent the instructed volume within Settlement in accordance with a defined procedure;
- Deemed Grid Code Acceptances would be processed in Settlement in the following way manner:
  - A replacement Bid/Offer price would be derived from the Bids or Offers that would have been taken by the Transmission Company had the instruction not been issued. The Acceptance would then be included in the existing Imbalance Price calculation at this 'Replacement Acceptance Price'. This approach would be utilised in an attempt to represent the consequential Energy balancing that may be delivered by an instruction issued for System balancing reasons;
  - The Acceptance would be excluded from the Period BM Unit Cashflow such that the Lead Party of the affected BM Unit would not be paid (or pay) for the Acceptance at either the prevailing or replacement Bid or Offer price;
  - Since the Lead Party of the affected BM Unit would not be paid (or pay) for the Acceptance at either the prevailing or replacement Bid or Offer price it would be possible for the Party to apply under the BSC for compensation for any costs incurred in responding to the instruction; and
  - A process would be required in order for any compensation amounts paid to the Lead Party of the affected BM Unit to be recovered from the Transmission Company where appropriate.

In the case of unplanned outages of the Transmission System or maximum Generation and Demand control events involving instructions to a Network Operator or an externally interconnected System Operator, there are currently no provisions for the creation of Bid-Offer Acceptances under the Grid Code. P175 seeks to introduce provisions into the BSC which could be applied to any of these events should future amendment of the Grid Code result in the creation of an Acceptance in Settlement under such circumstances. It should be noted that the creation of such provisions under the Grid Code is not within the scope of P175.

LogicaCMG's Proposed Solution					
<p>We have assumed that</p> <ul style="list-style-type: none"> <li>there will be no changes required to reporting functionality</li> <li>amendments will not be applied to BMRA and BMRA will not repeat its settlement process</li> <li>the resulting QAPO/QAPB goes into the stack at the adjusted price level.</li> </ul> <p>Thus there are no software changes.</p> <p>Activity is required to update documentation to reflect the manual processes required to:</p> <ul style="list-style-type: none"> <li>Receive adjusted Bid-offer data from BSCCo</li> <li>Apply changes to SAA after the SF run.</li> </ul>					
Deviation from ELEXON's Solution / Requirements					
None					
Operational Solution and Impact					
The solution has a per event requirement to enter amended data.					
Testing Strategy					
Unit		Change Specific		End to End	
Module		Operational Acceptance		Participant Testing	
System		Performance		Parallel Running	
Regression		Volume		Deployment/ Backout	
Other:					
Validated Assumptions					
<ol style="list-style-type: none"> <li>1) No changes to reporting.</li> <li>2) Amendments will not be applied to BMRA and it will not repeat its settlement process.</li> <li>3) The resulting QAPO/QAPB goes into the stack at the adjusted price level.</li> <li>4) Amendment of business data will require agreed data to be present 1 working day prior to an II run and 5 working days prior to SF and later runs.</li> <li>5) These changes are a low volume activity i.e. less than 10 occurrences per year.</li> <li>6) There is no impact on the settlement calendar.</li> </ol>					
Outstanding Issues					
None					

Changes to Service							
Services Impacted							
	BMRA	CDCA	CRA	ECVAA	SAA	TAA	Other
Software							
IDD Part 1 (Docs)							
IDD Part 1 (S'Sheet)							
IDD Part 2 (Docs)					X		
IDD Part 2 (S'Sheet)							
URS					X		
SS							
DS							
MSS					X		
OSM					X		
LWIs					X		
RTP	None						
Comms	None						
Other	None						
Nature of Documentation Changes							
As detailed in Proposed Solution							
Nature / Size of System Changes							
Documentation Only							
<b>Deployment Issues, e.g. Outage Requirements:</b>					None		
<b>Impact on Service Levels:</b>					None		
<b>Impact on System Performance:</b>					None		
Responsibilities of ELEXON							
Within reasonable levels, ELEXON will make available appropriate staff to assist LogicaCMG during the development of this change.							
Acceptance Criteria							
Documentation:- Address of ELEXON review comments leading to final DCR issue being provided.							

**Any Other Information**

- We note that there is no mention of forward/reverse pricing using Market Index Data in the BRS. Clarification of which prices can be changed would be a useful addition to the document.
- We note that BSCP 18 may need to be amended.

**Attachments**

P175\_AS\_FINAL\_10\_FINAL.doc  
P175 Price Presentation v0.1.xls