

INITIAL WRITTEN ASSESSMENT for Modification Proposal P165 Housekeeping Modification – BSC Panel

Prepared by: ELEXON¹ Limited

Date of issue:	3 March 2004	Document reference:	P165IR
Reason for issue:	For Panel Decision	Issue/Version number:	Final/1.0

This document has been distributed in accordance with Section F2.1.10² of the Balancing and Settlement Code.

RECOMMENDATIONS

On the basis of the initial assessment BSCCo recommends that the Panel:

- **DETERMINE that Modification Proposal P165 should be submitted directly to the Report Phase;**
- **AGREE that draft Modification Report should be prepared, consulted on and submitted to the Panel for consideration at its meeting of 8 April 2004;**
- **AGREE that the draft Modification Report contain a provisional recommendation that P165 should be made with an Implementation date of 10 Business Days after the Authority decision.**

Intellectual Property Rights and Copyright - This document contains materials the copyright and other intellectual property rights in which are vested in ELEXON Limited or which appear with the consent of the copyright owner. These materials are made available for you to review and to copy for the purposes of the establishment, operation or participation in electricity trading arrangements in England and Wales under the BSC. All other commercial use is prohibited. Unless you are a person having an interest in electricity trading in England and Wales under the BSC you are not permitted to view, download, modify, copy, distribute, transmit, store, reproduce or otherwise use, publish, licence, transfer, sell or create derivative works (in whatever format) from this document or any information obtained from this document otherwise than for personal academic or other non-commercial purposes. All copyright and other proprietary notices contained in the original material must be retained on any copy that you make. All other rights of the copyright owner not expressly dealt with above are reserved.

Disclaimer - No representation, warranty or guarantee is made that the information provided is accurate, current or complete. Whilst care is taken in the collection and provision of this information, ELEXON Limited will not be liable for any errors, omissions, misstatements or mistakes in any information or damages resulting from the use of this information or any decision made or action taken in reliance on this information.

¹ ELEXON Ltd currently 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 www.elexon.co.uk/ta/bscres/docs/bsc_code.html

CONTENTS TABLE

Summary of impacted parties and documents	3
1 Description of Proposed Modification.....	4
1.1 Modification Proposal.....	4
1.2 Issues raised by the Modification Proposal.....	4
2 Initial assessment of impacts of Modification Proposal.....	4
2.1 Impact on BSC Systems and processes	4
2.2 Impact on other systems and processes used by Parties.....	4
2.3 Impact on documentation	4
2.3.1 Impact on Balancing and Settlement Code.....	4
2.3.2 Impact on Code Subsidiary Documents	5
2.4 Impact on Core Industry Documents.....	5
2.5 Impact on other configurable items.....	5
3 Impact on BSCCo	5
4 Impact on BSC Agent contractual arrangements	5
5 Rationale for BSCCo’s recommendations to the Panel	5
6 Process, timetable and cost for progressing the Modification Proposal	5
7 Document control	6
7.1 Authorities.....	6
ANNEX 1 Modification Proposal	7
ANNEX 2 – Legal Text	9

SUMMARY OF IMPACTED PARTIES AND DOCUMENTS

As far as BSCCo has been able to assess the following parties/documents have been initially identified as being potentially impacted by Modification Proposal P165.

Parties	Sections of the BSC	Code Subsidiary Documents
Suppliers <input type="checkbox"/>	A <input type="checkbox"/>	BSC Procedures <input type="checkbox"/>
Generators <input type="checkbox"/>	B <input type="checkbox"/>	Codes of Practice <input type="checkbox"/>
Licence Exemptable Generators <input type="checkbox"/>	C <input type="checkbox"/>	BSC Service Descriptions <input type="checkbox"/>
Transmission Company <input type="checkbox"/>	D <input type="checkbox"/>	Service Lines <input type="checkbox"/>
Interconnector <input type="checkbox"/>	E <input type="checkbox"/>	Data Catalogues <input type="checkbox"/>
Distribution System Operators <input type="checkbox"/>	F <input type="checkbox"/>	Communication Requirements Documents <input type="checkbox"/>
Party Agents		
Data Aggregators <input type="checkbox"/>	G <input type="checkbox"/>	Reporting Catalogue <input type="checkbox"/>
Data Collectors <input type="checkbox"/>	H <input type="checkbox"/>	MIDS <input type="checkbox"/>
Meter Operator Agents <input type="checkbox"/>	J <input type="checkbox"/>	Core Industry Documents
ECVNA <input type="checkbox"/>	K <input type="checkbox"/>	Grid Code <input type="checkbox"/>
MVRNA <input type="checkbox"/>	L <input type="checkbox"/>	Supplemental Agreements <input type="checkbox"/>
BSC Agents		
SAA <input type="checkbox"/>	M <input type="checkbox"/>	Ancillary Services Agreements <input type="checkbox"/>
FAA <input type="checkbox"/>	N <input type="checkbox"/>	Master Registration Agreement <input type="checkbox"/>
BMRA <input type="checkbox"/>	O <input type="checkbox"/>	Data Transfer Services Agreement <input type="checkbox"/>
ECVAA <input type="checkbox"/>	P <input type="checkbox"/>	British Grid Systems Agreement <input type="checkbox"/>
CDCA <input type="checkbox"/>	Q <input type="checkbox"/>	Use of Interconnector Agreement <input type="checkbox"/>
TAA <input type="checkbox"/>	R <input type="checkbox"/>	Settlement Agreement for Scotland <input type="checkbox"/>
CRA <input type="checkbox"/>	S <input type="checkbox"/>	Distribution Codes <input type="checkbox"/>
Teleswitch Agent <input type="checkbox"/>	T <input checked="" type="checkbox"/>	Distribution Use of System Agreements <input type="checkbox"/>
SVAA <input type="checkbox"/>	U <input type="checkbox"/>	Distribution Connection Agreements <input type="checkbox"/>
BSC Auditor <input type="checkbox"/>	V <input type="checkbox"/>	BSCCo
Profile Administrator <input type="checkbox"/>	W <input type="checkbox"/>	Internal Working Procedures <input type="checkbox"/>
Certification Agent <input type="checkbox"/>	X <input checked="" type="checkbox"/>	Other Documents
MIDP <input type="checkbox"/>		Transmission Licence <input type="checkbox"/>
TFLA <input type="checkbox"/>		
Other Agents		
SMRA <input type="checkbox"/>		
Data Transmission Provider <input type="checkbox"/>		

Estimated cost for progressing P164 through Modification Procedures	10 ELEXON man days
--	---------------------------

1 DESCRIPTION OF PROPOSED MODIFICATION

1.1 Modification Proposal

Modification Proposal P165 'Housekeeping Modification – Removal of Approved Modification P125' (P165) was raised on 23 February 2004 by the BSC Panel, on the recommendation of ELEXON. (See Annex 1) P165 seeks to remove the legal text of Approved Modification P125 from the Balancing and Settlement Code.

Modification Proposal P125 (Apportionment of the Scottish Interconnector flows to the Northern and North West GSP Groups for the purposes of calculating losses) (P125) was raised to supplement the then Approved Modification P82 (Introduction of Zonal Transmission Losses on an Average Basis) ('P82'), and was approved by the Authority on 8 August 2003 with an Implementation Date of 1 April 2004. However, P82 was rejected by the Authority on 30 January 2004 which leaves Approved Modification P125 supplementing parts of the code that no longer exist.

P165 seeks to remove the legal text introduced by P125 from the code in accordance with Section F 2.1.1(d)(iv), which states that the panel can raise a Housekeeping Modification to "rectify manifest errors in or to correct minor inconsistencies (or make other minor consequential changes) to the Code". The inclusion of P125 legal text would create a number of manifest errors and minor inconsistencies as the text would not be operationally feasible or meaningful in the absence of P82.

Because of the inconsequential nature of the changes to the Code that would result from the implementation of the Proposed Modification, the associated legal text has been prepared and is attached in Annex 2.

1.2 Issues raised by the Modification Proposal

An initial assessment of P165 has identified that there are no potential areas of impact and no issues which will need to be considered and addressed in progressing the Modification Proposal.

2 INITIAL ASSESSMENT OF IMPACTS OF MODIFICATION PROPOSAL

2.1 Impact on BSC Systems and processes

An initial assessment has been undertaken in respect of all BSC Systems and processes and no BSC Systems and processes have been identified as potentially being impacted by the Modification Proposal.

2.2 Impact on other systems and processes used by Parties

An initial assessment has been undertaken in respect of systems and processes used by parties and no systems and processes have been identified as being potentially impacted by the Modification Proposal.

2.3 Impact on documentation

2.3.1 Impact on Balancing and Settlement Code

An initial assessment has been undertaken in respect of all Sections of the Code and the following Sections have been identified as potentially being impacted by the Modification Proposal.

Item	Potential Impact of Proposed Modification
Section T	Changes to address manifest errors
Section X Annex X-2	Changes to address manifest errors

2.3.2 Impact on Code Subsidiary Documents

An initial assessment has been undertaken in respect of all Code Subsidiary Documents and no impacts have been identified.

2.4 Impact on Core Industry Documents

An initial assessment has been undertaken in respect of Core Industry Documents and no impacts have been identified.

2.5 Impact on other configurable items

An initial assessment has been undertaken in respect of other configurable items and no impacts have been identified.

3 IMPACT ON BSCCO

An initial assessment has been undertaken in respect of BSCCo. No impacts have been identified, other than updates to the code.

4 IMPACT ON BSC AGENT CONTRACTUAL ARRANGEMENTS

An initial assessment has been undertaken in respect of BSC Agent contractual arrangements and no impacts have been identified.

5 RATIONALE FOR BSCCO'S RECOMMENDATIONS TO THE PANEL

P165 was raised by the BSC Panel in accordance with section F2.1.1(d)(iv) of the Code to rectify manifest errors and to correct minor inconsistencies within the Code. The Panel believe that P165 would better facilitate BSC Objective (d):

- d) Promoting efficiency in the implementation and administration of the balancing and settlement arrangements.

The IWA has confirmed that there are no issues or further impacts associated with the proposed Code change. In accordance with Section F2.7 of the Code, BSCCo therefore recommends that P165 should proceed directly to Report Phase with the recommendation that the Proposed Modification be made with an Implementation Date of 10 Business Days after the Authorities decision. This is because the Panel noted at the last meeting (February 2004) that Modification P165 could not be progressed in time to meet the P125 Implementation Date of 1 April 2004, so an extension was sought from the Authority in accordance with Section F 2.11.7. The Ofgem Representative, present at the Panel, agreed to extend the Implementation Date for P125 to 1 May 2004. Therefore to keep the Code consistent and clear these changes need to be implemented by 1 May 2004.

6 PROCESS, TIMETABLE AND COST FOR PROGRESSING THE MODIFICATION PROPOSAL

In accordance with Section F2.7 of the Code, BSCCo recommends that P165 should proceed directly to Report Phase with the recommendation that the Proposed Modification be made with an Implementation Date of 10 Business Days after the Authority decision (see above explanation). It is estimated that the progression of P165 will require one industry consultation. The draft Modification Report will be presented to the BSC Panel on 8 April 2004.

7 DOCUMENT CONTROL

7.1 Authorities

Version	Date	Author	Reviewer	Change Reference
0.1	02/03/04	Adam Lattimore	Change Delivery	Initial Draft for Review
1.0	03/03/04	Adam Lattimore	Change Delivery	Authorised for Use

ANNEX 1 MODIFICATION PROPOSAL

Modification Proposal	MP No: P165 <i>(mandatory by BSCCo)</i>
Title of Modification Proposal <i>(mandatory by proposer):</i> Housekeeping Modification - Removal of Approved Modification P125	
Submission Date <i>(mandatory by proposer):</i> 23/02/04	
Description of Proposed Modification <i>(mandatory by proposer):</i> Under Section F2.1.1(d)(iv) of the Balancing and Settlement Code, ELEXON can recommend a Modification Proposal to the Panel to rectify manifest errors, to correct minor inconsistencies and/or make other minor consequential changes to the Code. This Modification Proposal seeks to remove the legal text of Approved Modification P125 from the Balancing and Settlement Code, which would come under the category of manifest error.	
Description of Issue or Defect that Modification Proposal Seeks to Address <i>(mandatory by proposer):</i> The rejection of Modification Proposal P82, by the Authority on 30 January 2004, leaves Approved Modification P125 supplementing Code changes which no longer exist. Unless P125 is removed by way of a Code Modification parts of its legal text, which included the P82 legal text, will need to be implemented and published on 1 April 2004, despite the fact that such text is not operationally feasible or meaningful.	
Impact on Code <i>(optional by proposer):</i> Amendments to Section T and Annex X-2	
Impact on Core Industry Documents <i>(optional by proposer):</i>	
Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties <i>(optional by proposer):</i>	
Impact on other Configurable Items <i>(optional by proposer):</i>	
Justification for Proposed Modification with Reference to Applicable BSC Objectives <i>(mandatory by proposer):</i> This Modification Proposal seeks to ensure that text which was only ever intended to supplement a baseline of the Code which included Modification Proposal P82 is removed from the Code prior to its Implementation Date. The text of P125 is not operationally meaningful or feasible as a stand alone Code change. Removing P125 will better facilitate Applicable BSC Objective: (d) promoting efficiency in the implementation and administration of the balancing and settlement arrangements.	

Modification Proposal	MP No: P165 <i>(mandatory by BSCCo)</i>
Details of Proposer:	
Name: BSC Panel	
Organisation:	
Telephone Number:	
Email Address:	
Details of Proposer's Representative:	
Name: Chris Rowell	
Organisation: ELEXON	
Telephone Number: 020 7380 4337	
Email Address: Chris.Rowell@elexon.co.uk	
Details of Representative's Alternate:	
Name: Sandra Wybrow	
Organisation: ELEXON	
Telephone Number: 020 7380 4257	
Email Address: Sandra.Wybrow@elexon.co.uk	
Attachments: Yes	
If Yes, Title and No. of Pages of Each Attachment:	
Draft legal text (4 pages)	

ANNEX 2 – LEGAL TEXT**MODIFICATION PROPOSAL****SECTION T** *(version 11.0 including all Approved Modifications awaiting implementation)*

Delete all text in paragraph 4.1 of Annex T-2

- ~~4.1 (a) (i) it~~
- ~~(ii) for the purposes of calculating TLFs for Interconnector BM Units associated with the Interconnector connecting the Transmission System to transmission systems in Scotland, the single additional Zone (not comprising any geographical area) in respect of which the TLFs shall be calculated by reference to:~~
- ~~(1) the Zonal TLF calculated in accordance with paragraph 7 for such other Zones as determined by the Panel; and~~
- ~~(2) the factor to be applied to each such Zonal TLF as determined by the Panel.~~
- ~~(b) (or in relation to)~~
- ~~(s)~~
- ~~(or in relation to)~~
- ~~(d) described in paragraph 4.1(a)(i)~~

Delete all text in paragraph 4.3 of Annex T-2:

- ~~4.3 (a) (i) and other than the Volume Allocation Unit that represents the Interconnector connecting the Transmission System to transmission systems in Scotland,~~
- ~~(ii) for the Volume Allocation Unit that represents or best represents the Interconnector connecting the Transmission System to transmission systems in Scotland, the Node which represents or best represents the Volume Allocation Unit or (as the case may be) the Boundary Point(s) at which that Volume Allocation Unit is connected to the Transmission System (it being recognised that one Node may represent several such points) and the proportion of such representation;~~

~~i~~

~~, provided that no Node shall lie in the Zone described in paragraph 4.1(a)(ii);~~

~~and (iii)~~

~~i~~

~~(v)~~

~~i~~

~~(3) Interconnector BM Units associated with the Interconnector connecting the Transmission System to transmission systems in Scotland shall be deemed to lie in the Zone described in paragraph 4.1(a)(ii);~~

~~(v) the Zones to be used for the purposes of the calculation of the Zonal TLF for the Zone described in paragraph 4.1(a)(ii); and~~

~~(vi) the factor to be applied to each of the Zonal TLFs for each of the Zones referred to in paragraph (v);~~

(b) any

~~, any change to the proportion referred to in sub-paragraph (ii) of paragraph 4.3(a) and any changes in the Zones or factors referred to in paragraph (a)(iv) and (v);~~

~~.~~

Delete all text in paragraph 4.4 of Annex T-2:

4.4 s

~~and (iii)~~

Delete all text in paragraph 7.3 of Annex T-2:

~~7.3 (described in paragraph 4.1(a)(i))~~

~~for Zones established in accordance with paragraph 4.1(a)(i);~~

Delete all text in paragraph 7.4 of Annex T-2:

~~7.4 (described in paragraph 4.1(a)(i))~~

Delete all text in paragraph 7.5 of Annex T-2:

~~7.5 (described in paragraph 4.1(a)(i))~~

Delete all text in paragraph 7.6 of Annex T-2:

~~7.6 For each BSC year BSCCo shall:~~

~~(a) determine the Adjusted Annual Zonal TLF (ATLF_{Z,y}) for the Zone (described in paragraph 4.1(a)(ii)) according to the following formula:~~

~~$$ATLF_{Z,y} = \sum_z P_z * ATLF_{Z,y}$$~~

~~where:~~

~~\sum_z is summation by Zone as provided in the network mapping statement.~~

~~P_{nz} is the weighting factor (described in paragraph 4.3(a)(ii)) and shall be equal to the proportion of the Volume Allocation Unit that flows into a Node(s) within a relevant Zone;~~

~~(b) not later than three Business Days prior to 1st December in the preceding BSC Year, send such Adjusted Annual Zonal TLF to the TLFA.~~

Delete all text paragraph 7.7 of Annex T-2:

~~7.7 and ATLF_{Z,y}~~

SECTION X Annex X-2 (version 15 including all Approved Modifications awaiting implementation)

Delete the following definitions from Table X – 2 of Annex X – 2:

Defined Term	Acronym	Units	Definition/Explanatory Text
Adjusted — Annual Zonal TLF	ATLF_{zy}		The — factor — determined — in accordance with Annex T-2.
Annual Zonal TLF	TLF_{zy}		The — factor — determined — in accordance with Annex T-2.
Nodal TLF	TLF_{ij}		The factor specified in Annex T-2.
Zonal TLF	TLF_{zj}		The — factor — determined — in accordance with Annex T-2.