

Change Proposal – F40/01	CP No: 1060 Version No: 2.0
Title <i>(mandatory by originator)</i> Providing the Registrant with visibility of their Line Loss Factors (LLF) prior to approval	
Description of Problem/Issue <i>(mandatory by originator)</i> BSCP28 details the process by which CVA LLF are approved and communicated between LDSO, CDCA, BSCCo and the BSC Panel. The procedure makes no reference to the registrant of a metering system receiving notification of the LLF that will be allocated to that metering system for the forthcoming year. We believe this to be a defect within the current procedure as the LLF is a variable that must be known and factored into the volumes for a contract notification. If the LLF is not notified to the Registrant and specifically if there is a change in the parameter from the previous year this could impact on the imbalance position of the Registrant. Visibility of the LLF at an early stage will also allow Registrants where appropriate to challenge the LDSO on the factor being provided for use in Settlements.	
Proposed Solution(s) <i>(mandatory by originator)</i> Version 1.0 of CP1060 included a solution whereby the LDSO would be required to obtain the Registrants signature and agreement to proposed CVA LLFs prior to the values being submitted to BSCCo. Industry impact assessment of CP1060 v1.0 highlighted a number of concerns. These concerns related to the requirement for LDSOs to obtain Registrant signatures prior to submitting the values and this extending the overall timescale of the process and potentially resulting in an increase in the use of default data. However, there was general support amongst consultation respondents for ensuring Registrants have visibility of CVA LFFs. Therefore, CP1060 version 2.0 has been developed whereby BSCP 28-‘Approval and Notification of CVA Line Loss Factors’ would be amended as follows: <ul style="list-style-type: none"> • The LDSO would send details of the proposed LLF values to the Registrant at the same time as submitting the values to BSCCo (ensuring that BSCCo was provided with an auditable record of this communication with the Registrant); • Having received the proposed LLFs, the Registrant would be able to progress any issues with the values under the connection agreement (i.e. outside the BSCP28 process); • Where the LDSO has provided BSCCo with an auditable record of communicating the proposed LLFs to the Registrant, BSCCo will progress the submission as currently; • If no auditable record of the proposed values being communicated to the Registrant has been provided, BSCCo will treat the submission as incomplete (i.e. the submission will be deferred until such auditable record has been provided). 	

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<p>Justification for Change <i>(mandatory by originator)</i></p> <p>The current process fails to provide the Registrant with the required level of visibility of the LLF that has been proposed for a BMU. If this information is not provided by the LDSO this can impact upon the trading position of the Registrant as the LLF must be factored into the contract position notified into Settlements.</p> <p>This additional step in the process could also assist ISG in their decision making process when approving LLF for use in Settlements. If ISG is considering LLF submissions it may improve the process if the group is aware that the Registrant has seen the proposed value. This could provide the ISG with a level of assurance about the factor being proposed. BGT own a number of embedded power stations and since acquisition it has become apparent that LLF are not provided to the registrant prior to their submission to ISG. BGT believe provision of the values should be an integral part of the process for approving LLF.</p>	
<p>Configurable Items Potentially Affected by Proposed Solution(s) <i>(optional by Originator)</i></p> <p>BSCP28</p>	
<p>Impact on Core Industry Documents <i>(optional by originator)</i></p>	
<p>Related Changes and/or Projects <i>(mandatory by BSSCo)</i></p>	
<p>Requested Implementation Date <i>(mandatory by originator)</i></p> <p>June 2005</p> <p>Reason: The annual submission of CVA LLFs to BSSCo occurs during January/February each year. Therefore, Implementation of CP1060 in the February 2005 Release may impact this process, therefore it is considered more appropriate to implement the change in June 2005.</p>	
<p>Agreed Release/Implementation Date <i>(mandatory by BSSCo)</i></p>	

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Version No: 2.0

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Date.....

Attachments: /N* (If Yes, No. of Pages attached:.....)
(delete as appropriate)