

<p align="center">Change Proposal – BSCP40/02</p>	<p>CP No: CP1454</p> <p><i>Version No: 1.0</i> (mandatory by BSCCo)</p>
<p>Title</p> <p>Amendment to the Category 1 Materiality Calculation</p>	
<p>Description of Problem/Issue (mandatory by originator)</p> <p>Historically, the Technical Assurance Agent (TAA) calculated the materiality of category 1 non-compliances using a calculation which provided an estimated value.</p> <p>ELEXON identified that the materiality calculation had been removed from Balancing and Settlement Code Procedure (BSCP) 27 'Technical Assurance of Half Hourly Metering Systems for Settlement Purposes'. However, the Working Instruction used by the TAA was never updated and we have been unable to locate any communication advising the TAA of a change. Therefore the materiality calculation continues to be used.</p> <p>This calculation was deemed to be unfit for purpose by the Technical Assurance of Metering Expert Group (TAMEG) as it only produced an estimated value. At its meeting on 30 July 2015, the Performance Assurance Board (PAB) (174/07) approved the proposed methodology for calculating the materiality of category 1 non-compliances and recommended that a Change Proposal (CP) be raised in line with the proposed methodology.</p>	
<p>Proposed Solution (mandatory by originator)</p> <p>In order to provide a more accurate materiality of each category 1 non-compliance, we recommend that a calculation is performed by ELEXON in the same way that the materiality of a Trading Dispute is calculated. CP1454 will therefore require changes to BSCP27 to reflect this.</p> <p>The proposed process would not require any additional resource from ELEXON as a Trading Dispute would be raised for each category 1 non-compliance as Business as Usual (BAU). ELEXON would calculate the materiality as part of the Trading Dispute investigation.</p>	
<p>Justification for Change (mandatory by originator)</p> <p>The new method of calculating materiality for category 1 non-compliances will be more accurate if calculated by ELEXON as it will be based on actual data and the correct error period.</p>	
<p>To which section of the Code does the CP relate, and does the CP facilitate the current provisions of the Code? (mandatory by originator)</p> <p>BSC Section L 'Metering'</p>	
<p>Estimated Implementation Costs (mandatory by BSCCo)</p> <p>£240 (one ELEXON man day) of effort to implement the necessary document changes.</p>	

Configurable Items Affected by Proposed Solution(s) (mandatory by originator) BSCP27 ‘Technical Assurance of Half Hourly Metering Systems for Settlement Purposes’.
Impact on Core Industry Documents or System Operator-Transmission Owner Code (mandatory by originator) None anticipated.
Related Changes and/or Projects (mandatory by BSCCo) None.
Requested Implementation Date (mandatory by originator) 30 June 2016 as part of the June 2016 BSC Systems Release. Reason: The June 2016 Release is the next available Release that this CP can be included in.
Version History (mandatory by BSCCo) Version 1.0 of CP1454 was issued on 8 February 2016.
Originator’s Details: BCA Name: Giulia Barranu Organisation: ELEXON Email Address: bsc.change@elexon.co.uk Telephone Number 020 7380 4330 Date 11 January 2016
Attachments: Y/N BSCP27 – draft redlined text (5 pages)