

## P336 'Fuel types on the BMRS'

P336 proposes to expand the list of generation fuel types reported on the BMRS to include a new 'biomass' category. It will also allow the Panel to amend the list of fuel types in the future without needing a Modification.

This Report Phase Consultation for P336 closes:

**5pm on Tuesday 5 April 2016**

The Panel may not be able to consider late responses.



The BSC Panel initially recommends **approval** of P336

This Modification is expected to impact:

- The Transmission Company
- The Balancing Mechanism Reporting Agent (BMRA)

### Phase

Initial Written Assessment

Definition Procedure

Assessment Procedure

Report Phase

Implementation



---

**Contact****David Kemp**

020 7380 4303

[david.kemp@elexon.co.uk](mailto:david.kemp@elexon.co.uk)

## Contents

<b>1</b>	<b>Summary</b>	<b>3</b>
<b>2</b>	<b>Why Change?</b>	<b>4</b>
<b>3</b>	<b>Solution</b>	<b>5</b>
<b>4</b>	<b>Impacts &amp; Costs</b>	<b>6</b>
<b>5</b>	<b>Implementation</b>	<b>8</b>
<b>6</b>	<b>Panel's Initial Discussions</b>	<b>9</b>
<b>7</b>	<b>Recommendations</b>	<b>11</b>
	<b>Appendix 1: Glossary &amp; References</b>	<b>12</b>

## About This Document

This is the P336 Draft Modification Report, which ELEXON is issuing for industry consultation on the BSC Panel's behalf. It contains the Panel's provisional recommendations on P336, including a recommendation that P336 should be progressed as a Self-Governance Modification. The Panel will consider all consultation responses at its meeting on 14 April 2016, when it will make its decision on whether or not the change should be made.

There are three parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, benefits/drawbacks and proposed implementation approach.
- Attachment A contains the draft redlined changes to the BSC for P336.
- Attachment B contains the specific questions on which the Panel seeks your views. Please use this form to provide your responses to these questions, and to record any further views/comments you wish the Panel to consider.

---

P336  
Report Phase Consultation

---

11 March 2016

---

Version 1.0

---

Page 2 of 12

---

© ELEXON Limited 2016

### Why Change?

The generation mix within Great Britain is changing. However, the list of generation fuel types reported on the Balancing Mechanism Reporting Service (BMRS) is listed in the BSC, and so requires a Modification each time this list needs to change. The Proposer notes the recent increase in the level of biomass generation and believes this fuel type needs to be added to the BMRS as a specific category. They also believe it would be more efficient if the Panel could approve or remove any fuel type category reported on the BMRS without needing to raise a Modification each time.

### Solution

P336 would add 'biomass' as a specific generation fuel type reported on the BMRS. It would also allow the Panel to approve the addition or removal of generation fuel types in the future without needing to raise a Modification.

### Impacts & Costs

P336 is not expected to require any implementation effort for any participants.

P336 will impact the Balancing Mechanism Reporting Agent (BMRA), with central costs of approximately £46,000. There will also be impacts on the Transmission Company, with estimated costs of approximately £400,000.

### Implementation

P336 is proposed for implementation on **2 November 2017** as part of the November 2017 BSC Systems Release.

### Recommendation

The Panel initially unanimously believes that P336 would better facilitate Applicable BSC Objectives (b), (c) and (d) and so should be **approved**. It also unanimously agreed that P336 should be progressed as a Self-Governance Modification.

### Reporting generation by fuel type on the BMRS

The Balancing Mechanism Reporting Service (BMRS) is the primary channel for providing operational data relating to the Great Britain electricity balancing and settlement arrangements. Data reported in the BMRS currently includes historical generation, actual generation and forecast generation data. For some of these reports, the data is broken down by the primary generation fuel type, and the fuel types that need to be reported are listed in [BSC Section Q6.1.18](#). Any fuel types not included on this list are included under a catch-all 'other' category.

### Approval of new External Interconnection flows

Approved Modification [P244 'Provision of BritNed flow data to the BMRS'](#) allows the BSC Panel to approve new External Interconnection flows as further fuel type categories without the need to amend the BSC. These provisions were utilised in 2012 to add the East-West Interconnector as a fuel type category on the BMRS ([Panel 194/04](#)).

However, this provision is limited to new External Interconnection flows only, and does not allow other fuel types to be approved in the same way. Therefore, the addition of any other fuel types requires a corresponding change to the BSC, meaning a Modification needs to be progressed.

### What is the issue?

The generation mix within Great Britain is changing. For example, two generating units at Drax have now been converted to run off biomass, with a third expected in late 2016, comprising around 2GW of generation. However, there is no specific 'biomass' fuel type category reported on the BMRS. As a result, the output from these generating units is being allocated to the 'other' category. The Proposer believes that the volume of biomass generation is large enough that it should be reported as a separate fuel type rather than included under 'other', noting that at times the level of biomass generation can exceed that of wind generation.

The Proposer also highlights the provisions introduced by P244 for External Interconnection flows. They believe it would be more efficient if the Panel could approve or remove any fuel type category in this way, allowing the BMRS to adapt to the changes in the generation mix. This would prevent the need for a separate Modification each time a participant believes another fuel type category should be added.

### Proposed solution

P336 'Fuel types on the BMRS' was raised by Drax Power Limited on 29 February 2016. It proposes to expand the list of generation fuel types reported on the BMRS to include a new 'biomass' category.

Alongside this, this Modification seeks to extend the existing provisions for new External Interconnection flows to allow the Panel to approve any additional fuel types not currently listed as a fuel type category without the need for a Modification. It would also allow the Panel to remove any outdated fuel types that are no longer used in the same way. We note that a consequential Change Proposal (CP) would still need to be progressed to amend the flow used by the Transmission Company to submit the relevant data to the BMRS, but this could be progressed as Housekeeping CP following the Panel's approval.

### Legal text

The proposed changes to the BSC to deliver P336 can be found in Attachment B.

### Applicable BSC Objectives

The Proposer believed P336 would better facilitate the following Applicable BSC Objectives:

- **Applicable BSC Objective (b):** The provision of better quality information should improve self-balancing by market participants which should, in turn, improve the operation of the Transmission System.
- **Applicable BSC Objective (c):** An increase in information transparency and availability of improved market information to all participants should promote effective competition in the generation and supply of electricity.
- **Applicable BSC Objective (d):** Allowing the Panel to approve any further fuel type categories without the need to progress a Modification would be more efficient and less costly than the current process, while still ensuring such developments remain under the Panel's authority.



#### What are the Applicable BSC Objectives?

(a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence

(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System

(c) Promoting 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

(d) Promoting efficiency in the implementation of the balancing and settlement arrangements

(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]

(f) Implementing and administering the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation

P336  
Report Phase Consultation

11 March 2016

Version 1.0

Page 5 of 12

© ELEXON Limited 2016

## 4 Impacts & Costs

### Estimated central implementation costs

The central implementation costs for P336 are approximately £46,000. These costs are required to make the necessary changes to the Balancing Mechanism Reporting Agent (BMRA) systems and the BMRS. There will be no on-going costs associated with this change.

Alongside this, National Grid, as the Transmission Company, will incur costs of approximately £400,000. These arise from it needing to amend its systems and the corresponding flows issued to the BMRA to include the new 'biomass' category.

### Industry costs and impacts

P336 may have a minor impact on any participants that have elected to receive the BMRS information via the TIBCO feed, as the biomass category would be added to the information issued in this way. Otherwise, this Modification is not expected to impact any BSC Parties or Party Agents. However, we seek confirmation of this as part of this Report Phase Consultation.

#### Report Phase Consultation Questions

Will P336 impact your organisation?

*If 'Yes', please provide a description of the impact(s) on your organisation and any activities which you will need to undertake between the approval of P336 and the P336 Implementation Date (including any necessary changes to your systems, documents and processes). Where applicable, please state which of the roles that you operate as will be impacted and any differences in the impacts between each role.*

Will your organisation incur any costs in implementing P336?

*If 'Yes', please provide details of these costs, how they arise and whether they are one-off or on-going costs.*

The Panel invites you to give your views using the response form in Attachment B

### P336 impacts

#### Impact on BSC Parties and Party Agents

Possible minor impact on TIBCO feed recipients, otherwise no impact is expected.

#### Impact on Transmission Company

The Transmission Company will be required to include 'biomass' as a specific category in any data it submits to the BMRA that provides generation information split by fuel type.

#### Impact on BSCCo

No impact is expected.

#### Impact on BSC Systems and processes

BSC System/Process	Impact
BMRA/BMRS	The BMRA will be required to add the 'biomass' category to any graphs or reports on the BMRS that provide generation information split by fuel type.

#### Impact on Code

Code Section	Impact
Section Q	Changes will be required to implement this Modification. <i>The proposed changes can be found in Attachment B</i>

#### Impact on Code Subsidiary Documents

CSD	Impact
NETA IDD Part 1	Changes will be required to implement this Modification.

### Recommended Implementation Date

We recommend that, if approved, P336 should be implemented on **2 November 2017** as part of the November 2017 BSC Systems Release.

The lead time for P336 is being driven by the changes required to National Grid's systems, in particular to its forthcoming Electricity Balancing System (EBS). The EBS is currently subject to a change freeze prior to its implementation in late 2016, and so cannot accept P336 into the baseline being prepared for release at this time. National Grid would then like to allow time to safeguard the delivery and resolve any post-go-live fixes before including P336 in a subsequent EBS release. It also notes that other regulatory changes such as those required for the forthcoming Capacity Allocation and Congestion Management (CACM) regulation would need to be prioritised following the EBS being implemented. At this time, National Grid believes it would not be able to implement the EBS changes for P336 before September 2017. The November 2017 Release is the next available BSC Systems Release after this time.



### Panel's considerations on P336

The Panel noted that this Modification would not just add the 'biomass' fuel type category but would also introduce flexibility to add or remove further fuel types. It was confirmed that the system changes for P336, including those to the EBS, would account for this flexibility. One Member queried whether any delay to the implementation of the EBS could mean having to move the Implementation Date for P336. We confirmed this would likely be the case.

One Member asked what the definition of 'biomass' would be. Another Member responded that this would be a broad definition, and would cover both dedicated biomass generation as well as generation converted to biomass. They also felt there may be a need for more granular reporting in the future.

### Panel's initial recommendations

#### Applicable BSC Objectives

The Panel unanimously agreed that P336 **would better facilitate Applicable BSC Objectives (b), (c) and (d)** for the same reasons given by the Proposer in Section 3.

The Panel therefore initially unanimously recommends that **P336 should be approved**.

#### Self-Governance

The Panel unanimously agreed that P336 would meet the Self-Governance Criteria as there would be no material impact on participants or competition. It therefore believed that **P336 should be progressed as a Self-Governance Modification**.

#### Legal text

The Panel unanimously agreed that the draft redlined changes to the BSC in Attachment A deliver the intention of P336.

#### Implementation Date

The Panel unanimously agreed with the recommended Implementation Date of 2 November 2017 as part of the November 2017 Release, as put forward in Section 5.

#### Report Phase Consultation Questions

Do you agree with the Panel's initial unanimous recommendation that P336 better facilitates the Applicable BSC Objectives compared to the current baseline?

*Please provide your rationale with reference to the Applicable BSC Objectives.*

Do you agree with the Panel's initial unanimous view that P336 should be treated as a Self-Governance Modification?

*Please provide your rationale with reference to the Self-Governance Criteria.*

### Report Phase Consultation Questions

Do you agree with the Panel that the redlined changes to the BSC deliver the intention of P336?

*Please provide your rationale.*

Do you agree with the Panel's recommended Implementation Date?

*Please provide your rationale.*

The Panel invites you to give your views using the response form in Attachment B

## 7 Recommendations

The BSC Panel initially recommends:

- That P336 should be progressed as a Self-Governance Modification;
- That P336 should be **approved**;
- An Implementation Date of 2 November 2017; and
- The draft BSC legal text for P336.

## Appendix 1: Glossary & References

### Acronyms

Acronyms used in this document are listed in the table below.

Acronym	
Acronym	Definition
BMRA	Balancing Mechanism Reporting Agent ( <i>BSC Agent</i> )
BMRS	Balancing Mechanism Reporting Service
CACM	Capacity Allocation and Congestion Management
CP	Change Proposal
EBS	Electricity Balancing System
SCR	Significant Code Review

### External links

A summary of all hyperlinks used in this document are listed in the table below.

All external documents and URL links listed are correct as of the date of this document.

External Links		
Page(s)	Description	URL
4	BSC Sections page on the ELEXON website	<a href="https://www.elexon.co.uk/bsc-related-documents/balancing-settlement-code/bsc-sections/">https://www.elexon.co.uk/bsc-related-documents/balancing-settlement-code/bsc-sections/</a>
4	P244 page on the ELEXON website	<a href="https://www.elexon.co.uk/mod-proposal/p244-provision-of-britned-flow-data-to-the-bmrs/">https://www.elexon.co.uk/mod-proposal/p244-provision-of-britned-flow-data-to-the-bmrs/</a>
4	Panel 194 page on the ELEXON website	<a href="https://www.elexon.co.uk/meeting/bsc-panel-194/">https://www.elexon.co.uk/meeting/bsc-panel-194/</a>
5	P336 page on the ELEXON website	<a href="https://www.elexon.co.uk/mod-proposal/p336/">https://www.elexon.co.uk/mod-proposal/p336/</a>