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| <b>Change Proposal – BSCP40/02</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>CP No: CP1463</b><br><i>Version No: 2.0</i><br><i>(mandatory by BSCCo)</i> |
| <b>Title</b><br><br>Process for ELEXON to calculate category 1 non-compliance materiality                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                               |
| <b>Description of Problem/Issue</b><br><br>Approved <a href="#">Change Proposal (CP) 1454 ‘Amendment to the Category 1 Materiality Calculation’</a> , to be implemented on 30 June 2016, transferred responsibility for materiality calculations of category 1 non-compliances from the Technical Assurance Agent (TAA) to ELEXON. However, the methodology for the calculations has not been included within BSCP27 ‘Technical Assurance of Half Hourly Metering Systems for Settlement Purposes’. There is also no documented process and associated timescales for ELEXON to request data for the calculations, and for the Parties to provide the HH consumption data to ELEXON for the purposes of the calculations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                               |
| <b>Proposed Solution</b><br><br>The proposed change seeks to introduce a clear process for ELEXON to request data, and participants to provide data, and a methodology for ELEXON’s calculation of the error materiality. This would be done by making the following amendments to BSCP27 (set out in full in the attached redlined changes):<br><br>Amend section 3.6 ‘Category 1, 2 and CDCC Non-Compliance’ to introduce: <ol style="list-style-type: none"> <li>1. An obligation on TAA to notify ELEXON of a category 1 non-compliance (documenting the existing process in practice).</li> <li>2. An obligation on ELEXON to request HH consumption data, from the Central Data Collection Agent (CDCA) or Half Hourly Data Collector (HHDC), for the period affected by a category 1 non-compliance within 2 WD of being notified of the non-compliance.</li> </ol> Insert a new section 3.6A ‘Category 1 Non Compliance Materiality Calculation’ to introduce: <ol style="list-style-type: none"> <li>1. An obligation on the CDCA or HHDC to provide HH consumption data for the period affected by a category 1 non-compliance within 5 WD of receipt of a request.</li> <li>2. An obligation on ELEXON to perform the estimated materiality calculation for all category 1 non-compliances within 2 WD of receipt of HH data (this is in addition to section 4.1.8).</li> </ol> Amend paragraph 4.1.8 of section 4.1 ‘Description of Inspection Checks’ to document the following methodology for calculating error materiality: <ol style="list-style-type: none"> <li>1) Calculate the percentage error.</li> <li>2) Using the percentage error, calculate what would have been in Settlement if the</li> </ol> |                                                                               |

error had not occurred.

- 3) Calculate the difference between what should have been in Settlement and what is actually in Settlement to provide a materiality in MWh.

The CDCA Service Description will need to be updated to reflect the new requirements on the CDCA to provide HH consumption data for the period affected by the category 1 non-compliance.

#### **Justification for Change**

Consultation responses for CP1454 highlighted that there would be a benefit in adding the methodology within the BSCP27 for ELEXON's category 1 non-compliances materiality calculations. This would support transparency of the arrangements and ensure that if the calculation is amended in the future, it is subject to BSC CP governance procedures.

For ELEXON to complete the calculation in the same fashion as the materiality of Trading Disputes is calculated, HH data for the entire period affected by the category 1 non-compliance would be required.

It is an existing process for TAA to notify ELEXON of a category 1 non-compliance, therefore a change is required to the BSCP27, section 3.6 to document that obligation.

#### **To which section of the Code does the CP relate, and does the CP facilitate the current provisions of the Code?**

BSC Section L 'Metering'. This CP furthers the amendment introduced by CP1454.

#### **Estimated Implementation Costs**

£240 (one ELEXON man day) of effort to implement the necessary document changes.

#### **Configurable Items Affected by Proposed Solution(s)**

BSCP27 'Technical Assurance of Half Hourly Metering Systems for Settlement Purposes'.

CDCA Service Description.

#### **Impact on Core Industry Documents or System Operator-Transmission Owner Code**

None.

#### **Related Changes and/or Projects**

[CP1454 'Amendment to the category 1 materiality calculation'.](#)

**Requested Implementation Date**

3 November 2016 as part of the November 2016 BSC System Release.

The November 2016 Release is the next available Release that this CP can be included in.

**Version History** (mandatory by BSCCo)

Version 2.0 of CP1463 was issued on 13 June 2016.

***Originator's Details:***

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**Date:** 9 May 2016

Attachments: **Y/N**