

REQUIREMENTS SPECIFICATION

for Modification Proposal P159

Extending the Scope of E-mail Communications under the Code

Prepared by: Governance Standing Modification Group (GSMG)

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PURPOSE OF THIS DOCUMENT

The purpose of this document is to specify the GSMG's requirements relating to the Code and Code Subsidiary Document changes for P159 in sufficient detail to allow an impact assessment to be undertaken by all impacted parties.

For the purposes of this assessment, the reader should assume that the changes will be implemented as a standalone development project managed by BSCCo.

This document represents a summary of the solution developed by the GSMG to support P159. For more detail regarding the rationale behind P159 and the GSMG's requirements, please refer to the P159 Assessment Consultation document.

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SUMMARY OF IMPACTED PARTIES AND DOCUMENTS

The following parties/documents have been identified as potentially impacted by Modification Proposal P159:

Parties	Sections of the BSC	Code Subsidiary Documents
Suppliers <input checked="" type="checkbox"/>	A <input checked="" type="checkbox"/>	BSC Procedures <input checked="" type="checkbox"/>
Generators <input checked="" type="checkbox"/>	B <input type="checkbox"/>	Codes of Practice <input type="checkbox"/>
Licence Exemptable Generators <input checked="" type="checkbox"/>	C <input type="checkbox"/>	BSC Service Descriptions <input type="checkbox"/>
Transmission Company <input checked="" type="checkbox"/>	D <input type="checkbox"/>	Service Lines <input type="checkbox"/>
Interconnector <input checked="" type="checkbox"/>	E <input type="checkbox"/>	Data Catalogues <input type="checkbox"/>
Distribution System Operators <input checked="" 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 checked="" 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 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 checked="" type="checkbox"/>
Certification Agent <input type="checkbox"/>	X <input type="checkbox"/>	Other Documents
MIDP <input type="checkbox"/>		Transmission Licence <input type="checkbox"/>
TLFA <input type="checkbox"/>		
Other Agents		
SMRA <input type="checkbox"/>		
Data Transmission Provider <input type="checkbox"/>		

1 INTRODUCTION

1.1 Modification Proposal

a) Aim of Modification Proposal P159

Modification Proposal P159 'Extending the Scope of E-mail Communications under the Code' ('P159', Reference 1) was raised on 28 January 2004 by the Balancing and Settlement Code Panel ('the Panel'), on the recommendation of BSCCo.

P159 proposes to extend the current provisions within the Balancing and Settlement Code ('the Code') regarding use of e-mail, in order to authorise e-mail as an acceptable medium for all individual notices and communications given in accordance with paragraph H 9.2 of the Code. Currently, H 9.2 only expressly provides for individual notices and communications between Parties to be sent by post or fax.

b) Background: previous Modification Proposal P113

Modification Proposal P113 'E-mail Communications under the Code' ('P113', Reference 2) was implemented on 10 July 2003 and introduced provisions within H 9.2 confirming BSCCo's existing practice that where a general communication is to be given by BSCCo, the Panel, a Panel Committee, a Modification Group, or their respective secretaries, to all Parties (or a class of Parties) simultaneously the communication may be given by e-mail. Examples of such general communications include circulars and consultation requests.¹

P159 argues that, since P113 was raised, e-mail has become even more widely acknowledged by Parties as an efficient and cost-effective form of communication. In raising P159, the Panel considered that an opportune time has been reached at which to consider expanding H 9.2's provisions for e-mail to all other notices and communications between Parties under the Code and Code Subsidiary Documents – including communications sent both from and to BSCCo.

c) P159 and current BSCP provisions regarding use of e-mail

P159 notes that a number of Balancing and Settlement Code Procedures (BSCPs) already envisage individual e-mail communications between Parties, and that P159 would therefore confirm current practice in this regard and remove any perceived inconsistency between the provisions of the Code and these BSCPs.

d) Proposer's suggested exceptions to use of e-mail under P159

P159 recognises that expansion of the current Code provisions to all notices and communications under the Code and Code Subsidiary Documents may also legitimise use of e-mail for communications which are not currently sent (or envisaged to be sent) by such means. P159 therefore suggests that a set of express exceptions be developed where it may be inappropriate for individual communications to be sent by e-mail under H 9.2.

e) Communications covered by P159

H 9.2 provides for communications between the following parties under the Code and Code Subsidiary Documents:

- BSCCo (including BSC Clearer);
- The Panel (including Panel Subcommittees, Modification Groups and respective secretaries); and
- BSC Parties (including the Transmission Company).

¹ For more information regarding P113, please refer to the P113 Modification Report (Reference 3).

The provisions of H 9.2 are subject to Section O and any other express exceptions within the Code.

f) Communications outside the scope of P159

The following communications lie outside the scope of P159, and are subject to the alternative provisions specified within paragraph O 1.2 of the Code:

- Communications between Parties and Party Agents/BSC Agents;
- Communications between BSC Agents/Market Index Data Providers;
- Communications between the Transmission Company and a Party under Section Q of the Code;
- Data transfers between Suppliers, Supplier Agents, BSCCo and the Supplier Volume Allocation Agent using the Data Transfer Network;
- Any communications specified within Data Catalogues;
- Any communications which the Code/Subsidiary Documents provide to be made via the Balancing Mechanism Reporting Service or BSC Website.

The Code contains no specific provisions for the medium of communications to and from the Authority, which therefore also fall outside the scope of P159.

1.2 Process followed to date

The P159 Initial Written Assessment (Reference 4) was presented to the Panel at its meeting of 12 February 2004, where the Panel determined that P159 should be submitted to a three-month Assessment Procedure by the GSMG. To date, the GSMG has met three times to consider P159 (on 18 February, 10 March and 7 April 2004) and undertaken an industry consultation regarding its view that P159 would better facilitate Applicable Objective (d) – ‘promoting efficiency in the implementation and administration of the balancing and settlement arrangements’. Aside from one ‘no comment’ response, the unanimous view of consultation respondents was that P159 would better facilitate Applicable BSC Objective (d).

Following consideration of the consultation responses, the GSMG refined its proposed solution to support P159. This document therefore sets out the requirements for P159, as developed by the GSMG, for impact assessment by all impacted parties.

1.3 Requirements Specification overview

The following table represents a high-level view of the solution agreed by the GSMG to support P159, with respect to the issues identified in the P159 Initial Written Assessment.

Issue	GSMG's agreed solution	Detail
Identification of exceptions to use of e-mail.	Sole use of e-mail is not appropriate for certain official communications.	<p>Exceptions agreed by the GSMG (following BSCCo legal advice):</p> <ul style="list-style-type: none"> - Parties' submission of Accession Agreement and Scheme Accession Agreement under Section A; - Parties' first nomination of Authorised Persons under BSCP38; - Parties' submission of Panel election nomination and voting forms under Section B; - Default notices from BSCCo to Parties under Sections D and H; - Communications between the Panel and a Defaulting Party through administrators/receivers/liquidators under Section B; - The following communications between Panel members and BSCCo: indemnity letters, acceptance letters, documents relating to contracts, and any Panel vote by correspondence under Section B; - Confidential peer comparison reports sent from BSCCo to Parties under BSCP534. - Party referrals of Trading Disputes to the Panel or to arbitration under Section W; - Party notice to BSCCo under Section H that it has referred a dispute between Parties to arbitration; - Panel's Expulsion Notice to a Party under Section A.
Governance rules for exceptions to use of e-mail.	E-mail may be used for the above exceptions providing that the sender additionally confirms the communication by post or fax.	The deemed receipt of such communications (and therefore the timetable of any resulting processes) will be tied to receipt of the 'official' post or fax copy and not the e-mail version.
Choice of communications medium.	The choice of whether to issue communications by e-mail will be at the sender's discretion.	This approach largely confirms BSCCo and Parties' existing practice.

Issue	GSMG's agreed solution	Detail
Deemed receipt rules.	Existing P113 deemed receipt rules in H 9.2 will apply to communications under P159.	Existing point of deemed receipt: <ul style="list-style-type: none"> - One hour after being sent (or 9am the next day where the end of this hour falls after 5pm); or - One hour after being sent if relating to an Urgent Modification Proposal.
Additional e-mail governance rules.	E-mail communications will not be deemed to have been received where an undeliverable receipt is returned to the sender.	This will include communications where an undeliverable receipt is returned after the initial point of deemed receipt. Post or fax will be used where e-mail is temporarily unavailable or where an undeliverable receipt is returned. It will remain the responsibility of BSCCo and Parties to maintain the functionality of their respective e-mail systems and to advise of any temporary e-mail failure. It will remain the responsibility of Parties to ensure that any changes to e-mail addresses are notified to BSCCo.
Current BSCP provisions.	Aside from the exceptions identified above, e-mail will be added as an available communication method within all BSCP step tables where this option is not currently available.	BSCP step table references to 'electronic method' or 'electronic or as agreed' will remain unchanged. Where a BSCP specifies the communication method solely as 'as agreed', 'letter', 'written' or 'paper', these references will be taken to include the option to use post, fax and e-mail unless expressly stated otherwise. ²
BSCCo working practice.	BSCCo to use the implementation of P159 as an opportunity to strengthen, and communicate with Parties regarding, its working practices in respect of communications under the Code and Code Subsidiary Documents.	A combination of the following potential approaches is currently being considered by BSCCo: <ul style="list-style-type: none"> - An advice document, to be issued as an implementation circular and thereafter published on the BSC Website; - Using Operational Support Managers to advise new and existing Parties regarding ELEXON's communication practices; and - A review of BSCCo's communication practices, in conjunction with the BSC Website redesign and Stakeholder Feedback projects.

Section 2 describes the GSMG's proposed solution in more detail.

² BSCCo notes that the terminology used to describe communications media is subject to slight variations within each individual BSCP, and recognises the desirability of adopting a consistent convention (e.g. Post/Fax/E-mail) throughout all the procedures. As this lies outside the scope of P159, it is BSCCo's intention that a future review will be undertaken at an opportune time via a Change Proposal.

2 PROPOSED MODIFICATION

2.1 Proposed Code changes

The following table outlines the proposed Code changes to support P159 (note that no legal text is provided at this stage):

Code Section	Proposed changes
Section A 'Parties and Participation'	<p>Introduction of new provision within 3.1 'Party Details' for a Party to include an e-mail address within its Party Details when acceding to the Code.</p> <p>This will confirm the existing requirement within form BSCP65/4.1 for an e-mail address to be included within Party Details.</p>
Section H 'General'	<p>Introduction of provisions within 9.2 'Notices' that individual notices and communications between Parties may be sent by e-mail, apart from a list of exceptions to be placed in H 9.2 (see table in 1.3 above) or as elsewhere expressly provided in the Code/Code Subsidiary Documents.</p> <p>Introduction of provision that these exceptions may be sent by e-mail, providing that they are additionally confirmed by post or fax – but that the deemed receipt of such exceptions will be tied to the post or fax copy.</p> <p>A caveat will also be added to the current deemed receipt rules that e-mail communications will not be deemed to have been received where an undeliverable receipt is returned to the sender (regardless of when the undeliverable notice is received).</p>

2.2 Proposed BSCP changes

The following table outlines the BSCP changes required to support P159:

BSCP	Version reviewed	Proposed changes
BSCP14 'Processing of Manifest Error Claims'	2.0	3.3.10 (return TDC finding form) – add option of e-mail.
BSCP15 'BM Unit Registration'	8.0	3.6.1 (notification of cessation of a Supplier) – add option of e-mail; 3.13.1 – 3.13.5 (transfer of Supplier ID process) – add option of e-mail.
BSCP20 'Registration of Metering Systems for Central Volume Allocation'	8.0	3.2.4 (confirm de-registration details) – add option of e-mail; 3.8.13 (resolve issues relating to REFD and/or MOA appointment) – add option of e-mail; 3.3 (change of Registrant for Metering System) – remove requirement for postal copy throughout sub-steps.
BSCP31 'Registration of Trading Units'	7.0	3.1 (registration of Trading Unit) – add option of e-mail throughout sub-steps; 3.2 (registration of Trading Units) – add option of e-mail throughout sub-steps; 3.3 (de-register Trading Unit) – add option of e-mail throughout sub-steps.
BSCP32 'Metering Dispensations'	4.0	Add option of e-mail throughout all step tables.
BSCP38 'Authorisations'	6.0	3.1.1 (registration in Authorisation Register) – clarify that first registration of authorised signatories must be by post or fax; 3.1.2 (amendment to Authorisation Register) – add option of e-mail; 3.2 (Authorisation Register annual confirmation) – add option of e-mail.
BSCP41 'Report Requests and Authorisation'	6.0	3.2 (confidential report requests) – add option of e-mail throughout sub-steps.
BSCP71 'ECVNA and MVRNA Registration, Authorisation and Termination'	6.0	3.7.5 (provision of details) – add option of e-mail for BSCCo/Parties;

BSCP	Version reviewed	Proposed changes
BSCP501 'Supplier Meter Registration Service'	9.0	3.8 (request for SMRS information) – add option of e-mail throughout sub-steps; 3.10.7 (resolve issues) – add option of e-mail.
BSCP507 'Supplier Volume Allocation Standing Data Changes'	7.0	3.1.1 (send change request) – add option of e-mail for sending to BSCCo; 3.1.8 (send notification that change incorporated) – add option of e-mail for sending to BSCCo.
BSCP511 'Entry Process – Supplier Meter Registration Service'	3.0	Add e-mail throughout all step tables.
BSCP512 'Entry Process – Supplier'	3.0	Add e-mail throughout all step tables.
BSCP513 'Bulk Change of Non Half Hourly Supplier Agent'	1.0	3.1.2 (submit bulk change of agent application) – add option of e-mail; 3.1.8 (resubmit application) – add option of e-mail.
BSCP520 'Unmetered Supplies Registered in SMRS'	4.0	3.3.23 – 3.3.26 (distribute CPC) – add option of e-mail.
BSCP526 'Technical Assurance of Half Hourly Metering Systems for Supplier Volume Allocation'	3.0	4.5.2 (arrange inspection visit) – add option of e-mail.
BSCP528 'SVA Line Loss Factors for Half Hourly and Non Half Hourly Metering Systems Registered in SMRS'	6.0	3.1.1 (send Summary Report to BSCCo) – step table states method as e-mail, but appendix states post (appendix will be clarified to allow both D0265 data file and form F528/01 to be sent by e-mail); 3.1.3 (send Summary Report to Panel) – add option of e-mail; 3.1.5 (request for re-submission) – add option of e-mail; 3.1.10 (notification of Panel decision) – add option of e-mail; 3.2.4 (send Summary Report to Panel) – add option of e-mail; 3.2.6 (request for re-submission) – add option of e-mail;

BSCP	Version reviewed	Proposed changes
		3.3.3 (send Summary Report to Panel) – add option of e-mail; 3.3.5 (request for re-submission) – add option of e-mail.
BSCP531 'Accreditation'	4.0	4.1.20, 4.3.6, 4.4.14, 4.4.20, 4.5.1.24 & 4.5.2.19 – add option of e-mail for notifying Parties.
BSCP533 'PARMS Data Provision'	5.0	3.6 (request for ad-hoc data) – add option of e-mail throughout sub-steps; 3.7 (send data acknowledgement form) – add option of e-mail; 3.8 (query process) – add option of e-mail throughout sub-steps.
BSCP601 'Metering Protocol Approval and Compliance Testing'	3.0	2.1 (application procedure) – clarify option of e-mail throughout sub-steps.

These proposed BSCP changes are in respect of the current live BSCP versions, and may be subject to change in order to take account of future baseline changes.

Although BSCCo does not currently intend to send invoices and other financial statements by e-mail, P159 will introduce the option for BSCCo to do so at a future point without the need to raise another Modification Proposal. Existing BSCP provisions for invoices/statements to be sent by post or fax will be unaltered by P159 – whilst any future intention on the part of BSCCo to switch to e-mail invoicing would be appropriately notified to Parties with the necessary BSCP changes to be progressed at that time via an opportune Change Proposal.

BSCP11 'Volume Allocation and Settlement Run Queries' already contains existing provisions for use of e-mail, including an authorised signatory in BSCP38 for raising Trading Disputes, although this option is not currently used since use of e-mail is not expressly provided for by the Code. Changes to BSCP11 are therefore not required by P159, which will confirm the option to use e-mail in accordance with these existing provisions. However, Party referrals of Trading Disputes to the Panel or to arbitration under paragraphs W 3.5 and W 3.6 of the Code will form exceptions to sole use of e-mail under P159.

BSCP14 'Processing of Manifest Error Claims' also already contains the existing option to use e-mail, although (as for BSCP11) this is not currently used. P159 will confirm this option, and will require only minor changes to the BSCP (see above) for the purposes of consistency and clarity.

2.3 Potential changes to external systems

To date, no impacts to any Party systems have been identified by the GSMG since P159 will largely confirm Parties' existing practices with regard to use of e-mail.

P159 will not alter the number of communications sent to and from Parties under the Code and Code Subsidiary Documents. However, P159 will result in a slight increase in e-mail communications and a corresponding decline in communications by post or fax, since P159 will introduce use of e-mail for some communications not currently sent by such means.

BSC Parties are therefore invited to provide details of any impact to their systems, processes and documentation which would be required as a result of P159 – along with the costs and lead time involved in making any consequential changes.

In particular, small Parties are invited to provide views as to any additional resource impacts, or performance issues, for smaller participants in maintaining e-mail systems under P159.

Where requested, cost information can be treated as confidential by BSCCo – although all information will be provided to the Authority.

2.4 Potential changes to BSCCo systems and documentation

No impact has been identified for any BSCCo systems.

P159 will have minimal process impact for BSCCo, since it will largely confirm existing practice.

P159 will require minor changes to some BSCCo Local Working Instructions (LWIs) in order to clarify internal processes regarding the exceptions to sole use of e-mail under P159.

The BSCCo effort required to implement the BSCP and LWI changes associated with P159 is shown below. The stand-alone cost represents the cost of implementing P159 outside a planned release, whilst the incremental cost indicates the cost of implementing P159 with other changes as part of an existing release.

	Stand Alone Cost	P159 Incremental Cost	Tolerance
ELEXON Implementation Resource Cost	125 Man days £50,000	55 Man days £22,000	+/-5%

3 DEVELOPMENT PROCESS

For the purposes of responding to the impact assessment, the reader should assume that the P159 changes will be implemented as a stand-alone project managed by BSCCo.

However, it is BSCCo's intention that P159 be delivered as part of a planned release in order to minimise implementation costs.

4 GLOSSARY

The following acronyms have been used throughout this document:

Acronym	Term
BSCCo	The Balancing and Settlement Code Company (ELEXON).
GSMG	Governance Standing Modification Group.

5 DOCUMENT CONTROL

a Authorities

Version	Date	Author	Reviewer	Reason for review
0.1	22/03/04	Kathryn Coffin	Roger Salomone	Chairman review
0.2	23/03/04	Kathryn Coffin	ELEXON/GSMG	ELEXON impact assessment/GSMG review
0.3	05/04/04	Kathryn Coffin	GSMG	Further GSMG review
1.0	15/04/04	Change Delivery		Impact assessment by BSC Parties, Party Agents, BSC Agents, Core Industry Document Owners and the Transmission Company

b References

Ref.	Document Title	Owner	Issue Date	Version
1	Modification Proposal P159 'Extending the Scope of E-mail Communications under the Code' (http://www.elexon.co.uk/docs/ta/modifications/modsprops/P159/p159.pdf)	BSCCo	28/01/04	1.0
2	Modification Proposal P113 'E-mail Communications under the Code' (http://www.elexon.co.uk/docs/ta/modifications/modsprops/hP113/P113.pdf)	BSCCo	27/11/02	1.0
3	Modification Report: Modification Proposal P113 'E-mail Communications under the Code' (http://www.elexon.co.uk/docs/ta/modifications/modsprops/hP113/P113_final_mod_report.pdf)	BSCCo	22/01/03	1.0
4	Initial Written Assessment for Modification Proposal P159 'Extending the Scope of E-mail Communications under the Code' (http://www.elexon.co.uk/docs/ta/modifications/modsprops/P159/P159_IWA.pdf)	BSCCo	06/02/04	1.0
5	Assessment Consultation for Modification Proposal P159 'Extending the Scope of E-mail Communications under the Code' (http://www.elexon.co.uk/docs/ta/modifications/modsprops/P159/P159AC10.pdf)	BSCCo	15/03/04	1.0