MODIFICATION REPORT for Modification Proposal P222
'Provision of EAC and AA data to Distributors'

Prepared by: ELEXON[1] on behalf of the BSC Panel

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Proposed Modification P222 seeks to provide Licensed Distribution System Operators (LDSOs) with Estimated Annual Consumption (EAC) and Annualised Advance (AA) information through placing a specific obligation on the Supplier (via their Non Half Hourly Data Collector) to send a D0019 'Metering System EAC/AA data' flow at the same time as it is sent to the Supplier and Non Half Hourly Data Aggregator.

Alternative Modification P222 seeks to provide LDSOs, who wish to receive it, with a snapshot of EAC data through placing a specific obligation on the Supplier (via their Non Half Hourly Data Aggregator) to send a new data flow on CD. This would be sent quarterly.

BSC PANEL'S RECOMMENDATIONS

Having considered and taken into due account the contents of the P222 draft Modification Report, the BSC Panel recommends:

- that Proposed Modification P222 **should not** be made;
- that Alternative Modification P222 **should** be made;
- an **Implementation Date** for the Proposed and Alternative Modification P222 of **25 June 2009** if an Authority decision is received on or before 19 September 2008, **or 5 November 2009** if the Authority decision is received after 19 September 2008 but on or before 20 February 2009; and
- the proposed text for modifying the Code, as set out in the Modification Report**.**

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[2] The current version of the Code can be found at http://www.elexon.co.uk/bscrelateddocs/BSC/default.aspx

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SUMMARY OF IMPACTED PARTIES AND DOCUMENTS

As far as the Modification Group has been able to assess, the following parties/documents would be impacted by P222.

Please note that this table represents a summary of the full impact assessment results contained in Appendix 4.

Parties	
Distribution System Operators	☒
Generators	☐
Interconnectors	☐
Licence Exemptable Generators	☐
Non-Physical Traders	☐
Suppliers	☒
Transmission Company	☐
Party Agents	
Data Aggregators	☒
Data Collectors	☒
Meter Administrators	☐
Meter Operator Agents	☐
ECVNA	☐
MVRNA	☐
BSC Agents	
SAA	☐
FAA	☐
BMRA	☐
ECVAA	☐
CDCA	☐
TAA	☐
CRA	☐
SVAA	☐
Teleswitch Agent	☐
BSC Auditor	☐
Profile Administrator	☐
Certification Agent	☐
Other Agents	
Supplier Meter Registration Agent	☐
Unmetered Supplies Operator	☐
Data Transfer Service Provider	☒

Sections of the BSC	
A	☐
B	☐
C	☐
D	☐
E	☐
F	☐
G	☐
H	☐
I	☐
J	☐
K	☐
L	☐
M	☐
N	☐
O	☐
P	☐
Q	☐
R	☐
S	☒
T	☐
U	☐
V	☐
W	☐
X	☐

Code Subsidiary Documents	
BSC Procedures	☒
Codes of Practice	☐
BSC Service Descriptions	☐
Party Service Lines	☐
Data Catalogues	☒
Communication Requirements Documents	☐
Reporting Catalogue	☐
Core Industry Documents	
Ancillary Services Agreement	☐
British Grid Systems Agreement	☐
Data Transfer Services Agreement	☐
Distribution Code	☐
Distribution Connection and Use of System Agreement	☒
Grid Code	☐
Master Registration Agreement	☒
Supplemental Agreements	☐
Use of Interconnector Agreement	☐
BSCCo	
Internal Working Procedures	☐
BSC Panel/Panel Committees	
Working Practices	☐
Other	
Market Index Data Provider	☐
Market Index Definition Statement	☐
System Operator-Transmission Owner Code	☐
Transmission Licence	☐

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1 DESCRIPTION OF MODIFICATION

This section outlines the solution for the Proposed Modification and Alternative Modification as developed by the Modification Group.

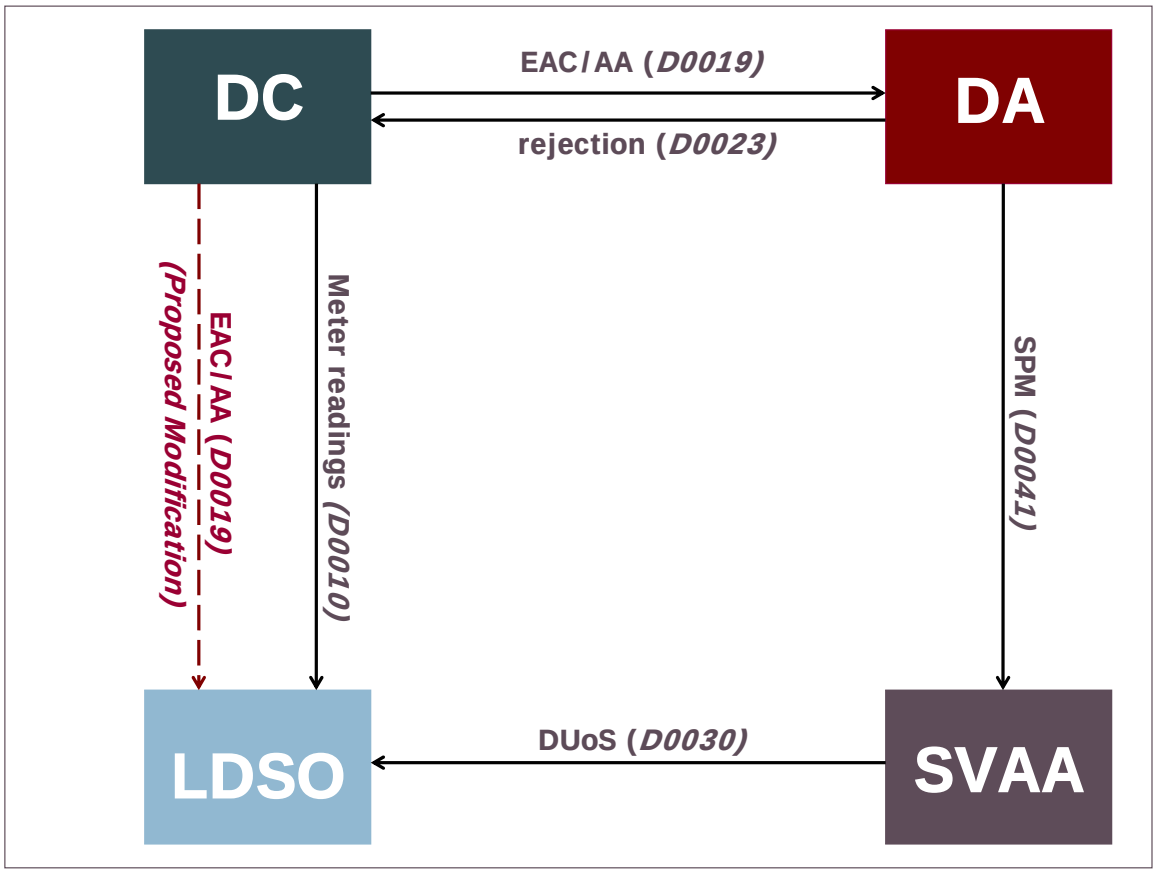
For a full description of the original Modification Proposal as submitted by The Electricity Network Company Limited ('the Proposer'), please refer to the P222 Initial Written Assessment (IWA).

1.1 Proposed Modification

P222 seeks to ensure that LDSOs receive EAC or AA data for Metering Systems located within their Distribution Network. It is proposed that this information be provided by the Non Half Hourly Data Collector (NHHDC) sending a D0019 flow to the relevant LDSO. This can be seen as the red dotted line in Figure 1 below.

P222 proposes that the receipt of the D0019 flow would provide the desired site specific consumption data for Non Half Hourly metered sites.

Figure 1. Proposed modification - D0019 flow from NHHDC to LDSO



The NHHDC would identify relevant LDSOs to receive the D0019 flow. This would be achieved by using the LDSO ID contained in the Meter Point Administrator Number (MPAN). LDSOs would only receive D0019 flows where their LDSO ID appears in these first two digits of the core MPAN.

When the NHHDC sends D0019 flows to Suppliers and NHHDAs, the NHHDC would be required to also send the D0019 data to the relevant LDSOs[3]. This flow would be sent across the Data Transfer Network (DTN).

[3] The relevant DSOs would therefore receive a D0019 flow every time that a D0019 is generated by the NHHDC and provided to the NHHDA in accordance with Section S of the BSC.

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Via the obligation on the Supplier, it would be mandatory for the NHHDC to provide the information to the LDSO.

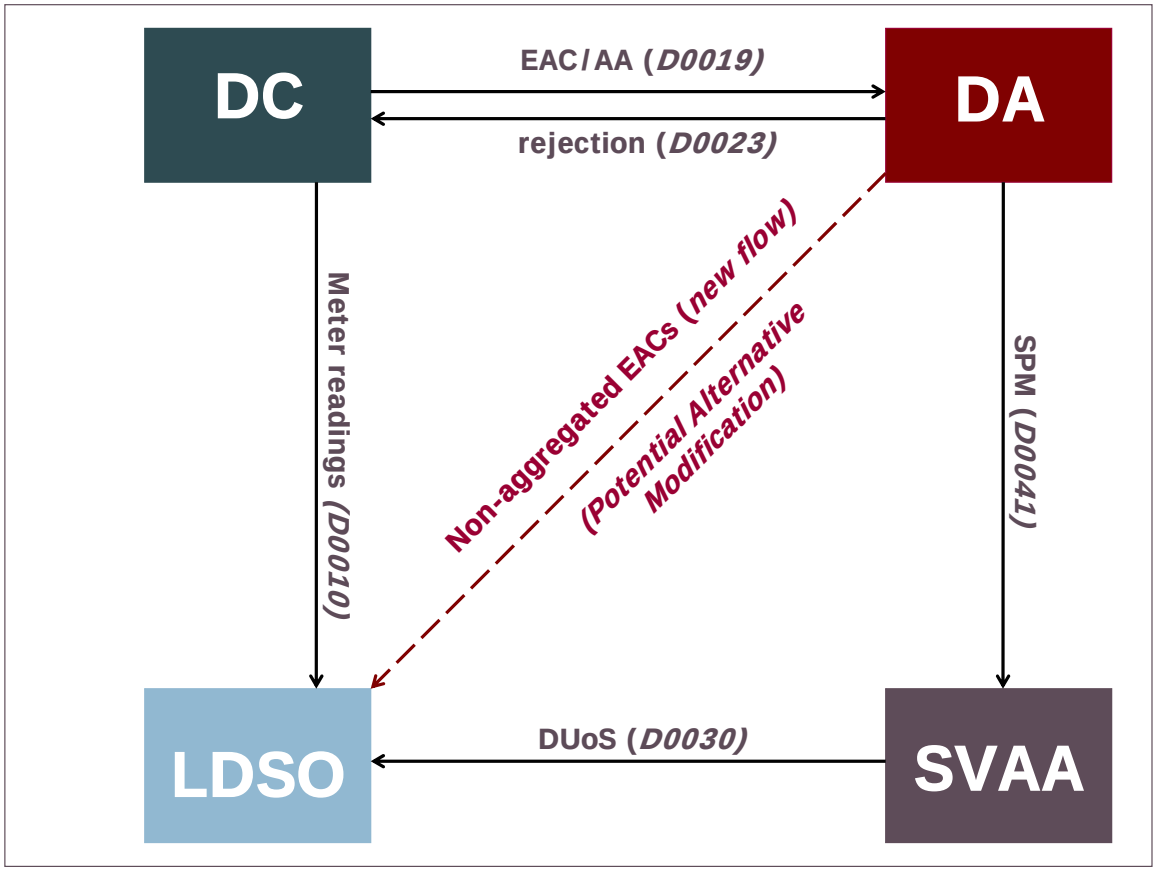
This would require an update to the Data Transfer Catalogue (DTC) and DTN. The DTC and DTN would require amendment to ensure it was clear that the LDSO is to be an additional recipient of the D0019 data.

For the avoidance of doubt, the new flow from the NHHDC to the LDSO would be accepted by the LDSOs on an 'as is' basis, and there would be no formal process for the LDSO to query the accuracy of the data[4]. There would be no additional obligations placed on Suppliers or NHHDCs.

1.2 Alternative Modification

As with the Proposed Modification, the Alternative Modification also seeks to ensure that LDSOs receive EAC data for Metering Systems located within their Distribution Network. It is proposed that this information be provided by the Non Half Hourly Data Aggregator (NHHDA) sending a new flow to the relevant LDSO. This can be seen as the red dotted line in Figure 2 below. The data items of the new flow can be found in the Assessment Report (Appendix 3) and will detail Non-Half Hourly consumption EACs[5] by GSP Group, Profile Class, and Line Loss Factor. This will provide site specific consumption data to LDSOs.

Figure 2. Alternative Modification – New flow from NHHDAs to LDSOs



LDSOs that wish to receive this information would have to 'opt in', by notifying the Supplier and NHHDA[6] in writing that it requires the data. The NHHDA would then identify the relevant LDSOs to receive the new

[4] Although this would not prevent the LDSO from raising a query if it wished to do so.
[5] The flow will contain EAC data as opposed to AA data. This is due to the EAC being a better guide to the customer's consumption.
[6] It was highlighted that, as initially drafted, the Alternative Modification gave the LDSOs the ability to opt out of receiving the information rather than requiring them to 'opt in'. This would mean that an obligation would be placed on Suppliers to provide the information unless notified by the LDSO that they did not want it. This prompted the Group to consider whether it was appropriate to have an 'opt out' or 'opt in' ability for the LDSOs. The Group believed that it was more appropriate to have LDSOs opt in, and for the LDSO to inform the Supplier and the NHHDA were they to opt in.

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flow. This would be based on the LDSO ID contained in the MPAN. LDSOs should only receive this new flow where their LDSO ID appears in these first two digits of the core MPAN.

The new flow would be required to be sent quarterly to any LDSOs who have opted to receive it. This would be sent on (or the first business day after) 1 February, 1 May, 1 August, and 1 November of each year[7]. The data to be captured in the new flow would be a snapshot of the EAC data available on that day. This flow would be sent by password protected CD from the NHHDA to the relevant LDSO. The Alternative Modification would therefore require a change to the SVA Data Catalogue, where the new flow would need to be added.

For the avoidance of doubt, the new flow from the NHHDA to the LDSO would be accepted by the LDSOs on an 'as is' basis and there would be no formal process for the LDSO to query the data. There would be no additional obligations placed on Suppliers or NHHDAs in this area.

[7] Note that the reason for selecting 1 May is that many meter readings will be submitted quarterly based on the financial year that starts on 1 April. Taking a snapshot on 1 May would allow for those meter readings to be captured in the data sent to the DSOs.

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2 AREAS RAISED BY THE TERMS OF REFERENCE

The following areas were considered by the Modification Group during the Assessment Procedure for P222:

- Confirming the proposed solution;
- Benefits and avoided cost of a central solution;
- Benefits of the proposed solution data flow (D0019) compared with existing data available to LDSOs;
- Master Registration Agreement (MRA) and Data Transfer Network/Catalogue considerations;
- What has changed since P043 was rejected;
- Non-BSC solution – Distribution Connection and Use of System Agreement (DCUSA) change; and
- Cost Recovery.

These issues are discussed in the Assessment Report contained in Appendix 3, and are not covered further here.

3 IMPLEMENTATION APPROACH AND COSTS

3.1 Cost Summary

	Demand Led (plus ELEXON cost)	MRA (Data Transfer Network)	Party Agents	Distributors
Proposed Modification	Zero (+£4,000)	£25,000 per annum	£6,000 to £45,000	£5,000 to £7,000
Alternative Modification	£70,000 (+ £24,000)	Zero	£5,000 to £25,000	£5,000

There was a range of responses from Party and Party Agent's in respect of the time required to implement the Proposed or Alternative Modifications. These are, in almost all instances, in excess of Central Systems and BSSCo implementation requirements. The most common responses fell in the range of 6-9 months for both the Proposed and Alternative Modification. Therefore an initial implementation approach was based on an Implementation Date 9 months following an Authority decision.

3.2 Proposed Modification

Proposed Modification Costs – ELEXON and Central Service Providers

PROPOSED MODIFICATION IMPLEMENTATION COSTS[8]

		Stand Alone Cost	Tolerance
Total Demand Led		£0	n/a

[8] An explanation of the cost terms used in this section can be found on the BSC Website at the following link: http://www.elexon.co.uk/documents/Change_and_Implementation/Modifications_Process_-_Related_Documents/Clarification_of_Costs_in_Modification_Procedure_Reports.pdf

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Implementation Cost			
ELEXON Implementation Resource Cost		17 man days £3,740	+/- 10%
Total Implementation Cost		£3,740	+/- 10%

The results of the industry impact assessment can be found in Appendix 4.

3.3 Alternative Modification

Alternative Modification Costs - ELEXON and Central Service Providers

ALTERNATIVE MODIFICATION IMPLEMENTATION COSTS[9]

		Stand Alone Cost	Tolerance
Service Provider[10] Cost			
	Change Specific Cost	£67,000 (12 weeks)	+/- 0%
	Release Cost	£0	+/- 0%
	Incremental Release Cost	£0	+/- 0%
	Total Service Provider Cost	£67,000	+/- 0%
Implementation Cost			
	External Audit	£0	+/- 0%
	Design Clarifications	£3,350	+/- 0%
	Additional Resource Costs	£0	+/- 0%
	Additional Testing and Audit Support Costs	£0	+/- 0%
Total Demand Led Implementation Cost		£70,350	+/- 0%

ELEXON Implementation Resource Cost		111 man days £24,420	+/- 10%

[9] An explanation of the cost terms used in this section can be found on the BSC Website at the following link: http://www.elexon.co.uk/documents/Change_and_Implementation/Modifications_Process_-_Related_Documents/Clarification_of_Costs_in_Modification_Procedure_Reports.pdf

[10] BSC Agent and non-BSC Agent Service Provider and software costs.

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Total Implementation Cost		£94,770	+/- 5%

The results of the industry impact assessment can be found in Appendix 4.

4 RATIONALE FOR MODIFICATION GROUP'S RECOMMENDATIONS TO THE PANEL

This section summarises the recommendations of the Modification Group, as detailed in the Assessment Report in Appendix 3.

4.1 Assessment of Proposed Modification Against Applicable BSC Objectives

The **MAJORITY** view of the Modification Group was that the Proposed Modification **WOULD NOT** better facilitate the achievement of Applicable BSC Objectives when compared to the current Code baseline, for the following reasons:

- Benefits had not been proven to exist (and the Group did not believe that there was a piece of analysis that could be done to meaningfully quantify potential benefits); and
- The use of the information by only some LDSOs would erode any perceived benefits.

Some members of the majority of the Group believed that there was a tenuous argument that there would be a detriment to the Applicable BSC Objectives:

- The ongoing costs associated with the Proposed Modification, and the contractual risk of new obligations would be detrimental to competition (Objective (c)) as higher costs for Suppliers would be more likely to deter new entrants to the Supply market.

The **MINORITY** view of the Group was that the Proposed Modification **WOULD** better facilitate the achievement of Applicable BSC Objectives when compared to the current Code baseline, for the following reasons:

- The Proposed Modification provides for increased ability for new distributed/embedded generation to enter the market, and for small scale generation to compete with larger scale generation. The D0019 information would allow LDSOs to determine the quantities that a generator delivers locally to be netted off against local demand (e.g. as in a regional power zone). This would allow for more cost reflective Distribution Use of System (DUoS) charges which would provide the correct incentives on generators, therefore enhancing competition; and
- Improved granularity of information that LDSOs have access to will improve the data that ultimately enters Settlement as LDSOs may be able to highlight issues causing erroneous data. Improving the accuracy of data in Settlement benefits all Parties by creating fairer arrangements which, in turn, promote competition.

4.2 Assessment of Alternative Modification Against Applicable BSC Objectives

The **MAJORITY** view of the Modification Group was that the Alternative Modification **WOULD NOT** better facilitate the achievement of Applicable BSC Objectives when compared to the current Code baseline, for the same reasons as given for the Proposed Modification.

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The **MINORITY** view of the Group was that the Alternative Modification **WOULD** better facilitate the achievement of Applicable BSC Objectives when compared to the current Code baseline, for the same reasons as given for the Proposed Modification.

After considering the consultation responses the Modification Group was **SPLIT** as to whether the Alternative Modification would better facilitate the achievement of the Applicable BSC Objectives when compared to the Proposed Modification. The members voted as follows:

Member	Proposed vs Baseline	Alternative vs Baseline	Alternative vs Proposed
Member 1	N	N	N
Member 2	N	N	N
Member 3	N	N	N
Member 4	N	N	N
Member 5	N	N	Y
Member 6	N	N	Y
Member 7	N	N	Y
Member 8	Y	Y	Y

Members who believed the Alternative was better than the Proposed did so for one or more of the following reasons:

- The expected lower cost to the industry as a whole would result in a more efficient solution. This is because there is no need to put automated processes in place across so many different systems and the information can be more easily processed without the need for large systems. Better industry efficiency is beneficial to competition;
- The ability to 'opt in' and the quarterly sending of the data would result in a lower volume of data flows than the Proposed Modification and would therefore have efficiency gains. Again, better industry efficiency is beneficial to competition; and/or
- The new data flow under the Alternative Modification contains validated data so it would be more valuable and more likely to achieve the benefits identified by the minority of the Group.

Members who believed the Alternative was not better than the Proposed did so for one or more of the following reasons:

- The ability to 'opt in' and the quarterly sending of the data would result in any BSC benefits that are attributable to P222 being eroded; and/or
- If no arguments can be made against the BSC Objectives in support of the Proposed Modification, then even if the Alternative Modification is no worse, it is not possible to say that it facilitates the Applicable BSC Objectives better than the Proposed Modification.

4.3 Implementation Date

The Modification Group agreed the following recommended implementation approach for both Proposed and Alternative Modification P222:

- An Implementation Date of 25 June 2009 if an Authority decision is received on or before 19 September 2008; or

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- 5 November 2009 if an Authority decision is received after 19 September 2008 but on or before 20 February 2009.

As part of the implementation for the Alternative Modification, ELEXON would inform LDSOs of the contact details for NHHDA's. This is to enable LDSOs to be able to notify both Suppliers and NHHDAs that they wish to 'opt in' to receive the new data flow.

The implementation would require updates to BSCPs as indicated in Appendix 4. These would need to be updated to include the detail of how the obligations put on Parties under Section S of the BSC would be carried out.

4.4 Legal Text

The Modification Group has reviewed the text for the Proposed Modification and Alternative Modification and agreed that it delivers the solution developed by the Group.

A copy of the draft legal text can be found in Appendix 1.

5 RATIONALE FOR PANEL'S RECOMMENDATIONS TO THE AUTHORITY

5.1 Panel's Consideration of Assessment Report

The Panel considered the P222 Assessment Report at its meeting on 8 May 2008. This section summarises the Panel's discussions in formulating its provisional recommendation for inclusion in the draft Modification Report.

5.1.1 Initial Panel Discussion

Absent member views heard

The Panel heard views presented by correspondence from an absent Panel member. The member indicated that when Ofgem rejected P043 (which also sought to provide Distributors with this information), Ofgem had not questioned the desirability of the provision of the information. Ofgem had instead indicated that routes other than the BSC would be more appropriate. However, the member pointed out that the P222 Assessment Report indicated that non-BSC methods, or requiring LDSO's to duplicate processes that exist within the BSC would be at an equivalent, if not higher, cost (which is borne by the Supplier and ultimately the customer).

Additionally, the member indicated that Independent LDSOs had indicated there was a business need for the P222 information. He did not believe it should be a requirement to have unanimous support from a class of participant.

The member also expressed that because the information is in the BSC domain, it should be made available to LDSOs. Denying LDSOs (and especially the Independent LDSOs) the information would be detrimental to their ability to offer negative DUoS charges – which is currently a major focus in the industry given the active policy mandate to stimulate distributed generation.

Another member noted that he was mindful of future market changes in relation to distributed generation, and P222 would be likely to facilitate this.

Background from the Distributor representative

The Distribution representative noted that the reason that P222 was put forward was to assist LDSOs discharge their obligations as set out in the Electricity Act and in their licences. This is a driver for a lot of what the LDSOs do.

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The representative noted that some LDSOs would use the information, and some would not. However, it was noted that the Proposal was raised by an Independent LDSO, and they have indicated that this information would be of value. Often smaller Parties provide innovation, and if they believe it will help to provide more cost reflective DUoS charges, this view should not be dismissed.

The representative noted that whilst it might be difficult to uncover BSC benefits, there is likely to be more efficient investment in the Distribution Network by having DUoS charges that create the incentive for new generation to connect at locations that will delay reinforcement in the Network. The representative noted that some of these considerations could perhaps be addressed by the Authority given they have a wider remit than the Panel, and can take into account their wider statutory duties.

A member queried whether LDSOs would really use the P222 information for network planning purposes as they would have already made their investment decisions by the time that an EAC is available. The Distributor representative indicated that the annualised consumption information is useful as it allows an LDSO to know as much as they can about their existing network. This can help identify if they can take more load on the existing network or not, and help with investment decisions.

Potential new argument under Applicable BSC Objective (b) put forward

The Transmission Company representative noted that the majority views of respondents and the Modification Group were that there were no arguments for P222 against the Applicable BSC Objectives. He proposed that there is potentially a link that can be made to Applicable BSC Objective (b).

The test against Applicable BSC Objective (b) includes improving the co-ordinated operation of the GB Transmission System. The Transmission Company provides information to Parties where this is seen as the most efficient thing to do to facilitate the co-ordinated operation of the GB Transmission System. If a potentially wide reading is made of what is considered the operation of the GB Transmission System (i.e. including the interaction with the distribution networks), by providing information that allows for greater co-ordination, P222 could be said to better facilitate Objective (b). If the cheapest way to provide this information is via the BSC then, arguably, this is the most efficient means to obtain the benefit.

It was noted that the argument provided was still a tenuous one, but potentially worth consideration. It might also have consequential positive impacts on Applicable BSC Objective (c). This would be via improved investment decisions (by LDSOs being able to improve their ability to identify what is the best place, and when would be the best time for investment). Additionally, providing the P222 data in the most cost effective manner has benefits for competition.

EACs can be produced from existing information

One Panel member noted that rejection of P222 is not depriving LDSOs of access to information. P222 simply saves them doing the calculation of an annualised consumption volume themselves. This is because the LDSOs could produce their own volumes from the site specific meter readings and total volume data that they get. Whilst they do have to process this data to calculate an annual volume per site, this then becomes a commercial decision for them to make based on whether they believe there is value in doing so.

The member's view was that P222 is therefore more about who pays for the calculation and provision of this data. It was noted that there was little information regarding how much it costs a new Distributor to calculate these volumes from the existing data.

Who pays?

P222 imposes costs on Party Agents which are ultimately borne by Suppliers. The Panel discussed the allocation of the costs under P222.

One member noted that it was the customer who ultimately pays. LDSOs pass on their costs to Suppliers (subject to their price control as determined by Ofgem) and Suppliers ultimately pass these costs onto the customers. Therefore, the question should be what the most efficient means for providing the information is.

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The Assessment Report suggests that this could be the BSC. Another member noted that the Panel was not in the position to take a view on the overall welfare benefit (in terms of to customers) of P222.

Another member indicated that those Parties that have entered the market have already made investments in their systems. But Modifications such as P222 ask them for further capital outlays. In principle this could go on, and be a continuing burden on Parties. The principle of cost recovery is that efficiency occurs when costs are appropriately targeted. If a Party faces the costs then they will ensure they get a benefit from it. P222 does not target costs onto the Parties that obtain the benefit. This is similar to P216 'Audit of LLF Production' where benefits were attributable to Suppliers, yet costs faced by LDSOs[11]. The member did not believe that either costs are appropriately targeted, and that the industry should not be 'swapping' costs between Modifications.

Another member indicated that it is the marginal cost of providing the information that should be considered, and not the average cost. The marginal cost of providing the P222 information could be considered low when compared to the average cost.

It was noted that if P222 was shown to have BSC benefits, then arguably, the costs of P222 are appropriately targeted. One member believed that competition in every area of the industry needs to be nurtured as there are overall benefits to the market from healthy competition. If the overall benefit to the market justifies the sharing of costs, then this could be considered appropriate.

Central provision vs individual systems

The Panel discussed the fact that LDSOs could produce their own volumes from D0010s and D0030s. Particularly, what is the desirability of having multiple individual systems set up to derive the data, compared to a central system that distributes this to all Parties.

As expressed previously, one member believed that, were costs targeted appropriately, LDSOs would be able to make commercial decisions of whether to produce their own volumes. Another member believed that any new entrants to the market should set up their systems to take into account the existing information flows.

Another member did not believe that individual systems should be encouraged over the central provision of data, especially when this is already calculated and in the BSC domain. It is just a matter of providing this to the Parties that want it.

A further member noted that whilst the information is available via the D0010s and D0030's, this is not in a very user friendly or helpful way.

5.1.2 Applicable BSC Objectives

In its Report Phase consultation, the Panel acknowledged that the links to the Applicable BSC Objectives were tenuous and indirect ones. Therefore, the views of many members were finely balanced. In its consultation the Panel highlighted that where any additional information on the benefits or cost savings of P222 can be provided (preferably with some financial value indicated), the Panel would find this useful in their final consideration of P222.

The Panel recommendation is to reject Proposed Modification P222 and approve Alternative Modification P222. The Panel's majority view is that the benefits under the Proposed and Alternative Modification are the same. However, the costs of the Alternative Modification are less and the Panel were asked to note the additional arguments put forward by the Modification Group regarding the improvement of the Alternative over the Proposed.

a) Proposed Modification

[11] P216 incurred costs on Distributors when they would not obtain any benefit. Benefits of P216 were attributable to Suppliers. P222 is the reverse.

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The **UNAMIMOUS** provisional view of the Panel was that the Proposed Modification **WOULD NOT** better facilitate the achievement of any of the Applicable BSC Objectives when compared to the current Code baseline, because despite the perceived benefits, the costs of the Modification seem to outweigh the benefits (outlined in the benefits section below), especially when compared to the Alternative.

b) Alternative Modification

The **MAJORITY** provisional view of the Panel was that the Alternative Modification **WOULD** better facilitate the achievement of Applicable BSC Objective (c) when compared to the current Code baseline and the Proposed Modification, for the reasons outlined in the benefits section below.

The **MINORITY** provisional view of the Panel was that the Alternative Modification **WOULD NOT** better facilitate the achievement of any of the Applicable BSC Objectives when compared to the current Code baseline, for the reasons outlined in the drawbacks section below.

The Panel agreed that the Alternative Modification would have a neutral impact on Applicable BSC Objectives (a), and (d).

c) Benefits

The majority of the Panel who believed there were BSC benefits arising from P222 did so for one or more of the following reasons:

Applicable BSC Objective (b)

- As described in the Panel discussion above.

Applicable BSC Objective (c)

- There is the potential for increased competition in the supply and generation of electricity from improved LDSO competition. The improved access to BSC information available to LDSOs would facilitate entry and the efficiency of LDSOs. It is in the Suppliers interest to have efficiently managed networks as costs should ultimately decrease. Greater competition amongst the LDSO community (potentially where they are competing for a franchise) benefits Suppliers who pay the DUoS charges. This would be via the potential for more cost reflective DUoS charges; and
- P222 provides for increased ability for new distributed/embedded generation to enter the market. Providing P222 information to LDSOs would allow for more cost reflective DUoS charges which would provide the correct incentives on generators, therefore enhancing competition in the generation of electricity.

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d) Drawbacks

The minority of the Panel who believed that the BSC benefits did not exceed the BSC costs did so for one or more of the following reasons:

- No BSC benefits have been identified, and it is not possible to link P222 to any of the Applicable BSC Objectives.

Applicable BSC Objective (c)

- This objective is in relation to competition in the generation and supply of electricity and P222 cannot be satisfactorily linked to improving such competition. In relation to LDSO competition, it is difficult to suggest that this would be facilitated, particularly because LDSOs are natural monopolies who, at best, can only be described as competing for a franchise; and
- There has been no evidence provided of how the information provided under P222 would directly result in increased Distributed Generation.

e) Provisional recommendation to the Authority

The Panel therefore agreed a **MAJORITY** provisional recommendation to the Authority that:

- The Proposed Modification **should not** be made; and that
- The Alternative Modification **should** be made.

5.1.3 Implementation Date

The Panel agreed with the Modification Group's recommendation regarding the Implementation Date.

5.1.4 Legal Text

The Panel reviewed the draft text and agreed that it addresses the defect identified by the Modification Proposal.

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5.2 Results of Report Phase Consultation

16 responses were received to the P222 Report Phase consultation.

A summary of the consultation responses is provided in the table below (bracketed numbers represent the number of Parties and non-Parties represented by respondents).

Q	Consultation question	Yes	No	Neutral
1.	Do you agree with the Panel's provisional recommendation to the Authority contained in the draft Modification Report that the Proposed Modification should not be made?	15	0	1
2.	Do you agree with the Panel's provisional recommendation to the Authority contained in the draft Modification Report that the Alternative Modification should be made?	7	8	1
3.	Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P222?	12	2	2
4.	Do you agree with the Panel's view that the legal text provided in the draft Modification Report delivers the solution agreed by the Modification Group?	13	0	3
5.	Some Panel member's views are finely balanced. Can you provide any additional BSC benefits or cost savings that would occur as a result of P222? Can you quantify these?	4	9	3

There were also a number of additional comments from respondents that are captured below.

Proposed Modification

Respondent's unanimously supported the Panel view that Proposed Modification P222 should not be made. The majority felt that the Proposed Modification did not have any clear BSC benefits and cannot be applied to the Applicable BSC Objectives. Therefore, it cannot be said to better facilitate them. Additionally, it was highlighted that were there to be any benefit from P222, this is likely to be eroded by the indication from many LDSOs that they would not use the data.

Some respondents indicated that the reason for supporting the Panel's view was their preference for the Alternative Modification which was proven to be less costly, and would essentially have the same benefits as the Proposed Modification. Additionally, the Alternative Modification requires LDSOs to opt in to receive the data, which would potentially reduce costs further.

One respondent believed that P222 would be detrimental to the Applicable BSC Objectives via the increased contractual obligations on Suppliers which would increase the risk to BSC signatories and be counter to competition.

Alternative Modification

The majority of respondents did not agree with the Panel's initial view that the Alternative Modification should be made. Those respondents indicated that the Alternative could not be shown to have any more benefits than the Proposed Modification (of which they believe there are none), and thus still could not be applied to the Applicable BSC Objectives. Given the costs associated with the Alternative, there is no justification for its approval.

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In addition, the respondents who did not support the Panel's initial view did so for one or more of the following reasons:

- As with the Proposed Modification, the expected low usage of the data by LDSOs would erode any benefits were these be proven to actually exist;

- It was reiterated that there are existing processes for any LDSO who wishes to obtain this data to be able to either calculate it themselves, or enter bilateral agreements with Suppliers. The Modification Group were unable to establish that the P222 data would be superior to existing data. Therefore the benefit of the P222 data is only marginal;

- In the main, only independent LDSOs would use the data, and these are unlikely to connect significant volumes of distributed generation;

- It is not clear how a distribution planning engineer would use the P222 data when designing its network. The respondent queried that if an estimate is adequate, then why is a class average estimate of annual consumption not sufficient. This data is available currently and ultimately at no extra cost to the end customer; and

- The only benefit would be the avoidance of the need for boundary metering between Independent and other LDSOs. It should be considered whether it is appropriate that customers connected to Independent LDSOs should be subsidised by other customers.

As with the Proposed Modification, one respondent noted that it would in fact be detrimental to the Objectives via the increased contractual obligations which would increase the risk to BSC signatories and be counter to competition.

The minority who supported the Panel's initial view did so for one or more of the following reasons:

- The lower cost of the Alternative;

- Usage and load monitoring processes assist the economic and efficient operation of the Distribution System;

- LDSOs would be able to make better informed decisions when assessing the need for network reinforcement and the greater granularity of data would assist in being able to assess the benefit of connecting small embedded generators. This would help LDSOs to provide incentives for embedded generation and facilitate competition (*Applicable Objective (c)*);

- The data will be more complete and up to date. The estimated and actual consumptions would be on an individual customer level and be superior to the data that processing D0010, D00149 and D00150 would provide. Additionally, it is highly costly for LDSOs to process these flows to get their own estimated annual consumption figures; and

- Benefits for planning engineers, revenue protection and distributed generation tariff structures which would involve locational signals.

Implementation Date

Two respondents did not support the implementation approach. Both respondents indicated that 12 months would be required to implement the solution after an Authority decision. One respondent quoted a 'code

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freeze' on NHHDA software until February 2009 reducing the amount of time available for them to implement and test the changes to the NHHDA software. Both respondents had not disagreed to this implementation approach as part of the Assessment Consultation. ELEXON contacted the respondent and the main concern was that the changeover to the new Sun Solaris servers to run the NHHDA software would mean that no changes could be made until February 2009. This would then only give 3 months to test the P222 changes before the June 2009 implementation date. The respondent expressed that 3 months was the minimum required, but that June 2009 was achievable.

When contacted by ELEXON, the other respondent explained that 12 months would be required for the Alternative Modification only, were a full change to the NHHDA software to occur and need to be tested. If the change was of a smaller magnitude (such as a new script), then the respondent would require less than 3 months from the time that the NHHDA software provider provided them with this script. ELEXON confirmed that the NHHDA software provider would be providing a new script that NHHDAs would use to extract the data. If P222 were approved, this would be likely to be included in the February 2009 NHHDA software release. This would allow at least 3 months for NHHDAs to test this script.

Legal Text

There was unanimous support for the legal text. One respondent indicated their preference that the legal text included timescales that should be adhered to. ELEXON indicated that the Group considered this but did not believe it necessary to codify the timescales. The Group could have chosen to do so, but did not. Having the dates in the BSCP allows for it to be amended through a less onerous change process but also ensures the dates must be adhered to. The BSC states that "*Code Subsidiary Documents shall have binding effect for the purposes of the Code*".

Additional Benefits?

Because some Panel members views were finely balanced in relation to P222, the Panel requested that industry provide any additional BSC benefits, and for these to be quantified where possible. The majority of respondents could not provide any additional benefits and their comments included:

- There are no benefits or cost savings that would occur. There are no benefits that have been overlooked, these simply do not exist;
- LDSOs can derive this information for themselves therefore P222 socialises the cost of doing so;
- The central costs of the Alternative Modification are higher than for the Proposed Modification. The Alternative Modification could therefore be said to be worse than the Proposed Modification under Applicable BSC Objective (d); and
- It's not possible to categorically state that the P222 data would lead to avoided investment cost of an exact pound amount or that a defined amount of new embedded generators would connect. The respondent did believe that this benefit would be more likely to occur if P222 were approved. The respondent reiterated the information provided during the Assessment Procedure consultation that to replicate the NHHDC procedures would result in a cost that could exceed £100,000. This would duplicate processes already undertaken between Suppliers and the Agents.

A minority provided the following additional benefits. Note that these were not tied into any of the Applicable BSC Objectives:

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- P222 would allow for proactive network load assessment and will help to discharge LDSOs statutory obligations;

- The P222 data would be used to check the units that have been put into Settlement against the estimated unrecorded usage data provided from the Revenue Protection services to Suppliers via the D0239 'Revenue Protection Report on Action Taken' flow; and

- If P222 were not implemented a system to process meter reading data would need to be developed (that would replicate NHHDC systems). As there is no standard product available on the market to do this, the respondent estimated this cost to be approximately £100,000.

From respondents who did not support the Panel's view on the Alternative Modification

How does LDSO competition facilitate Supply and Generation competition?

One respondent queried the majority Panel's assertion that LDSO competition facilitates Supply and Generation competition (*Applicable BSC Objective (c)*). The respondent believed that this could improve the accuracy of DUoS charging and reduce distribution costs. However competition between Suppliers or Generators would not change as they would simply move from one level playing field to another.

Non BSC solutions

Two respondents reiterated that there were other means for LDSOs to obtain this data. One respondent did not believe that the Panel gave sufficient regard to alternative solutions for LDSOs to obtain this data. LDSOs could calculate estimated annual consumption themselves without the need for a BSC change. It was also noted that LDSOs were free to enter bilateral arrangements to obtain the data.

Justification for the Panel's different view on Proposed and Alternative Modifications

Two respondents indicated that it did not appear clear how the Alternative Modification could have benefits that the Proposed Modification did not. The outcome of both, in terms of distributor competition, would be the same. The respondents felt that these arguments, if valid, should apply to both Modifications.

Panel view different to Majority of Modification Group and Industry

Some respondents indicated their concern that the Panel supported the Alternative Modification which only the Proposer on the Modification Group supported. One respondent referred to the fact that the Modification Group was unanimous in rejecting the Proposed Modification and almost unanimous in rejecting the Alternative Modification. This was because costs were identified with no apparent benefits. Another respondent also noted that the Modification Group found no tangible evidence to support the Alternative Modification, and the majority of the consultation respondents did not support it.

Additionally, one respondent indicated that the Panel rationale to reject P043 could also be applied to the P222 Alternative. That was, that there was no evidence to support reduced distribution costs, and if there were these would not necessarily lead to reduced DUoS charges, and therefore it was not clear that P043 would better facilitate any of the Applicable BSC Objectives.

Some respondents urged the Panel to reconsider its view on the Alternative Modification and recommend to the Authority that it should not be made.

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Customers paying twice?

One respondent did not believe there were any cost savings from P222. If there were, LDSOs should be able to reduce their DUoS charges to customers given they already have an allowed revenue for network planning and design. Some of this would be passed on to Suppliers. With no DUoS reductions, customers are in danger of paying for this activity twice. Another respondent queried whether there were any quantified benefits to customers or industry participants of this change.

Transfer of Data on a CD

Two respondents did not support the transfer of data via a password protected CD. They believed an automated process to be more reliable and/or efficient and suggested that, were the Alternative to be approved, this should be with information transferred across the DTN or via FTP. Another respondent, whilst agreeing that it was not necessary to send the data via the DTN suggested the use of encrypted email or a secure FTP server. The Group did not explore how an FTP solution would work.

Respondents who supported the Panel's view on the Alternative Modification

Difficulty to quantify benefits

Two respondents highlighted that, whilst it is straightforward to identify the costs, it is difficult to quantify the benefits of P222. LDSOs would only be able to do this with any accuracy after they have received the P222 data. They believed that it would increase the accuracy of Settlements and encourage innovative networks and active network management over the typical reinforcement plans.

One respondent believed that P222 would facilitate competition in distributed generation. Given consumption data will be more readily aggregated by network zone, this will assist in identifying areas where small sized generation can offset upstream reinforcement. Additionally, this type of network management where deferred investment can take place would assist the carbon agenda.

Replicating the Agents processes

One respondent reiterated that requiring LDSOs to calculate this information themselves would be a duplication of the activities that the NHHDC systems already undertake.

Not all LDSOs would use the P222 data

One respondent accepted that not all LDSOs would use the P222 data as they already have systems in place. The respondent suggested that LDSOs that are part of a larger corporate group (with Supplier and NHHDC facilities) might be in a position to benefit from software applications developed at a corporate level for affiliates processing this type of information.

Full copies of the consultation responses can be found in Appendix 5.

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5.3 Panel's Consideration of the Draft Modification Report

General consultation responses

The Panel noted that no new substantive arguments were provided through the Report consultation. The key arguments remained around efficiency for distributors and the benefits under the BSC were as a consequence of this less evident and therefore very difficult to accurately quantify. Similar difficulties with quantifying the benefits arising from changes associated with transparency and provision of information have been identified for previous Modifications.

Those respondents in favour of P222 cited the arguments made in the Assessment report and reiterated the difficulty of quantifying a true financial cost benefit arising from the change. It was noted that two Parties suggested the indicative costs of trying to replicate a system to calculate an annualised consumption volume as being £100,000.

The Distribution representative observed that it is not surprising that different distributors opposed or supported this change in equal measure as they would manage their networks differently in an attempt to efficiently meet their obligations under price control. New Distributors have identified the benefit to their network management of having the additional data to avoid replicating the current data that is used for Settlement.

Checking consumption volumes

The Panel discussed whether receipt of annualised consumption data could allow the distributor to identify potential misallocation of volumes. In practice the distributors could identify potential misallocations now by using the existing meter read and aggregated GSP consumption volumes. If it is believed that the distributors would proactively identify where potential volumes are being allocated and share this information with the relevant Supplier/registrant visibility then it is arguable that the regular provision of the site specific consumption data under P222 would provide the distributor with more information to do so. This in turn should have an effect on Applicable Objective (c) and the appropriate allocation of volumes, which would have a potential benefit on competition.

Boundary Metering

The Panel queried the observation made by one respondent that this Modification was simply a means to avoid installation of boundary metering. The Assessment Report and discussion had not focused upon this in great detail and no other respondents had given much weight to this as an additional benefit. It was therefore questionable as to whether this is a fringe benefit but did not seem to be the primary driver for why distributors were requesting the data.

Provision of data other than by CD-ROM

The Panel considered two responses suggesting that the data be sent by another means and not be restricted to CD_ROM as recorded in the solution. The Modification Group had identified CD-ROM as the most cost effective and efficient means of providing the data and had not received any adverse comment during the Assessment consultation. The Panel endorsed this approach. Nevertheless as the means of providing the data will be contained within the BSCP, not the BSC, it is not unreasonable for the provision of the data to be specified as being by CD-ROM or 'any other electronic means as agreed between the participants'. A CP could be raised to discuss and, where agreed, amend the delivery mechanism.

Management of Distribution Losses

Assuming that P222 provided a distributor with more accurate site specific data the Panel discussed if this would allow distributors to mange and help reduce the losses on their networks. This in turn should lead to greater efficiency and potential revision of costs and charges associated with distribution losses. The conclusion was that this again may be a consequence of P222 but only for those who choose to use the data

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in managing their networks and therefore introduce the potential for a benefit to competition of generation and supply under Objective (c) to be realised.

NHHDA Costs

It was clarified that although the costs of changing the centrally developed NHHDA software under the P222 Alternative solution would be met by industry through ELEXON revising the software, there would be an additional cost to each NHHDA for having to apply the software changes, potentially porting the software, and ensuring no problems with their own installation.

Provision of Data to industry

The Panel discussed the fact that under the BSC a whole range of data items are provided to the industry and that not all Parties use the data directly but it is of clear advantage to some participants. This includes publication of data on the Balancing Mechanism Reporting Agent website and the current initiative around publication of Market Domain Data (MDD). It was observed that the MDD changes are being delivered at a cost of roughly half the cost of P222. P222 is a similar initiative and it could be argued that provision of this data satisfies the same principles of benefiting the industry through improved data provision and transparency. There are examples in other fields where data is provided for the benefit of those who might use it, for example the data available from the Office of National Statistics, although it was recognised that there is a distinct budget for those bodies and the data they publish.

Conclusions

A minority of Panel members reiterated a view that there were no benefits arising under the BSC from P222. The Panel acknowledged the difficulty in identifying unequivocally the evidence of the benefits but the majority felt on balance that those arguments in favour of why the Applicable Objectives are better facilitated (that had been stated by respondents and made by the Panel in section 5.1.2) had merit. Most Panel members agreed the benefits under objective (c) were the most pertinent, whilst there was mixed views on the overall benefits to (b) and (d).

It was acknowledged that a number of the arguments were common to both the Proposed and Alternative solutions but that the Alternative solution contained the efficiency of only providing the data to those distributors who would use it and reduces the overall cost and burden to industry. The Alternative solution would be delivered through a single centrally managed software change. The absence of the central solution and the broader impact on industry from the Proposed solution suggests the dis-benefits may outweigh the benefits. For this reason the majority of the Panel members agreed the Alternative solution should be made.

5.4 Panel's Final Recommendation to the Authority

The final recommendation of the BSC Panel is:

- that Proposed Modification P222 should not be made; and
- that Alternative Modification P222 should be made.

The Panel recommends an Implementation Date for the Proposed and Alternative Modification P222 of 25 June 2009 if an Authority decision is received on or before 19 September 2008, or 5 November 2009 if the Authority decision is received after 19 September 2008 but on or before 20 February 2009.

6 TERMS USED IN THIS DOCUMENT

Other acronyms and defined terms take the meanings defined in Section X of the Code.

Acronym/Term	Definition
AA	Annualised Advance

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D0010	Meter Readings – this flow contains raw Meter reading data and is used in the creation of a D0019.
D0019	Metering System EAC/AA Data – information in this flow is derived using data from current and previous Meter reads (D0010) and the profiles over the read period to create an annual consumption for a metering point. The D0019 is then passed into the Non Half Hourly Data Aggregator.
D0030	Non Half Hourly DUoS Report – this flow contains the total profiled consumption for all Metering Systems (but not per Metering Systems) for a particular LDSO.
D0041	Supplier Purchase Matrix Data – this flow contains details of NHH Consumption per Supplier aggregated per GSP Group by profile class, line loss factor class and measurement requirement.
DCUSA	Distribution Connection and Use of System Agreement
LDSO	Licensed Distribution System Operator
DTC	Data Transfer Catalogue
DTN	Data Transfer Network
EAC	Estimated Annual Consumption
IDNO	Independent Distribution Network Operator
MPAN	Meter Point Administration Number – An MPAN is a unique number for each meter.
MRASCO	Master Registration Agreement Service Company
NHH	Non Half Hourly
NHHDA	Non Half-Hourly Data Aggregator
NHHDC	Non Half-Hourly Data Collector

7 DOCUMENT CONTROL

7.1 Authorities

Version	Date	Author	Reviewer	Reason for Review
0.1	14/05/08	Chris Stewart	David Jones	For quality/technical review
0.2	15/05/08	Chris Stewart	BSC Parties and other interested parties	For consultation
0.3	02/06/08	Chris Stewart	David Jones/Sarah Jones	For quality/technical review
0.4	12/06/08	Change Delivery	BSC Panel	For Panel decision
1.0	13/06/08	BSC Panel		For Authority decision

7.2 References

Ref.	Document Title	Owner	Issue Date	Version
1	Data Transfer Catalogue – MRASCO website Data Flows	MRASCO		8.8

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2	DCUSA – 5 October 2006 http://www.ofgem.gov.uk/Licensing/ElecCodes/DCUSA/Predesig/Documents1/15650-DCUSA.pdf	Ofgem		1.0
3	P043 'Provision of Annualised Advance and Estimated Annual Consumption Data' – Modification documents including decision letter ELEXON - Modification Proposal P043	ELEXON / Ofgem	17/01/02	

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APPENDIX 1: LEGAL TEXT

Draft legal text for the Proposed Modification is attached as a separate document, Attachment 1.

Draft legal text for the Alternative Modification is attached as a separate document, Attachment 2.

APPENDIX 2: PROCESS FOLLOWED

Copies of all documents referred to in the table below can be found on the BSC Website at: ELEXON - Modification Proposal P222

Date	Event
01/02/08	Modification Proposal raised by The Electricity Network Company
14/02/08	IWA presented to the Panel
21/02/08	First Assessment Procedure Modification Group meeting held
10/03/08	Second Assessment Procedure Modification Group meeting held
12/03/08	Requirements Specification issued for BSC Agent impact assessment
12/03/08	Request for Party/Party Agent impact assessments request issued
12/03/08	Request for Transmission Company analysis issued
12/03/08	Request for BSCCo impact assessment issued
27/03/08	BSC Agent impact assessment response returned
27/03/08	Party/Party Agent impact assessment responses returned
26/03/08	Transmission Company analysis returned
27/03/08	BSCCo impact assessment returned
31/03/08	Third Assessment Procedure Modification Group meeting held
03/04/08	Consultation Document published
17/04/08	Consultation responses received
21/04/08	Fourth Assessment Procedure Modification Group meeting
8/05/08	Assessment Report presented to the Panel
16/05/08	Draft Modification Report consultation issued
30/05/08	Draft Modification Report consultation responses received
12/05/08	Draft Modification Report presented to Panel

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ESTIMATED COSTS OF PROGRESSING MODIFICATION PROPOSAL[12]

Meeting Cost	£1,500
Legal/Expert Cost	£5,000
Impact Assessment Cost	£5,000
ELEXON Resource	63 man days £17,000

The Impact Assessment cost increased from £0 in the Initial Written Assessment to £5,000. This is due to an impact assessment being required from the NHHDA software provider for the Alternative Modification.

APPENDIX 3: ASSESSMENT REPORT

The P222 Assessment Report can be found on the BSC Website at: ELEXON - Modification Proposal P222

The Assessment Report includes:

- The conclusions of the Modification Group regarding the areas set out in the P222 Terms of Reference;
- Details of the Group's membership;
- The full results of the Assessment Procedure impact assessment; and
- Full copies of all responses to the Assessment Procedure consultation.

APPENDIX 4: RESULTS OF IMPACT ASSESSMENT

During the Assessment Procedure an impact assessment was undertaken in respect of all BSC systems, processes, documentation and parties. The following have been identified as impacted by P222.

a) Impact on BSC Systems and Processes

The Proposed Modification has no impact on the BSC systems or processes.

The Alternative Modification requires NHHDA to send the new flow to LDSOs on a quarterly basis. The NHHDA software will therefore need to be updated. This would be at a cost of £67,000. The NHHDA database contains all the data that is required to be sent to the LDSO in the new flow. However the database structure is designed for optimal performance of the NHHDA Aggregation Run; it is not designed for easy data reporting. Thus production of the new flow will be a major new NHHDA process.

The first stage of a new report process would extract the EAC data for all the Metering Systems in the NHHDA database into temporary tables. The second stage of the process would read the temporary tables to produce a report for each LDSO.

The EACs reported on are those that will be used in Settlement. The impact assessment from the NHHDA software provider is included in the P222 Assessment Report.

[12] Clarification of the meanings of the cost terms in this appendix can be found on the BSC Website at the following link: http://www.elexon.co.uk/documents/Change_and_Implementation/Modifications_Process_-_Related_Documents/Clarification_of_Costs_in_Modification_Procedure_Reports.pdf

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b) Impact on BSC Agent Contractual Arrangements

No impact.

c) Impact on BSC Parties and Party Agents

The Modification Group conducted an industry impact assessment for the Proposed Modification and Alternative Modification. The full set of Party responses can be found in the P222 Assessment Report.

The responses indicate costs to LDSOs, Suppliers, NHHDCs and NHHDAs.

For the Proposed Modification, NHHDCs would be required to send a D0019 flow to all relevant LDSOs at the same time it sends this flow to the Suppliers and NHHDAs.

For the Proposed Modification, the following impacts were noted by respondents:

- **LDSOs**: Costs to implement the proposed solution ranged from £5,000 to £7,000 for those that intended to use the information. One respondent suggested a cost of £50,000 were they to process the information but also indicated they would not use the data so would not actually incur this cost.

  Implementation timescales generally ranged between 6 to 9 months with one respondent stating 12 months and another stating 18 months.

- **Suppliers**: Half of the Supplier respondents indicated there would be no costs over and above those that would be attributable to the NHHDC. The remaining Supplier respondents indicated that there would be some costs due to monitoring NHHDCs and from LDSO query management.

- **NHHDCs**: Costs provided by NHHDC respondents were in the range of £6,000 to £45,000. It was noted that the change may not be a particularly large one, however rigorous testing would be required to ensure existing functionality is not impacted.

  Implementation timescales suggested ranged from 3 months to 18 months with 6 months being the most common response.

For the Alternative Modification, the NHHDAs would be required to send a new flow to relevant LDSOs on a quarterly basis on CD.

For the Alternative Modification, the following impacts were noted by respondents based on information being sent across the DTN. Some respondents noted that savings could be made by sending the information on a CD[13]:

- **LDSOs**: One Party provided costs similar to implement the proposed solution of £5,000. One respondent indicated increased costs to be able to receive and accommodate the information across the DTN. It should be noted that these costs would not be incurred under the CD delivery method.

  Implementation timescales ranged from 3 to 18 months with the most common period given as 6 months. One respondent noted this was not applicable as they would discard the flow.

- **Suppliers**: Most of the Supplier respondents indicated there would be no costs over and above those that would be attributable to the NHHDA. The remaining Supplier respondents indicated that there would be some costs involved in monitoring NHHDAs and from LDSO query management.

- **NHHDAs**: Some NHHDAs indicated that the bulk of the cost would be those to change the NHHDA software and they did not indicate any additional costs. However, three respondents provided further costs. Two respondents provided costs of £12,000 and £25,000 respectively. These costs were based on the requirement to test and implement a new version of the NHHDA software. A

[13] Note that based on these responses, the Group agreed the current Alternative solution of supplying the new flow information on a CD.

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further respondent noted that there would need to be Gateway changes at a cost of £5,000. However, the Group noted that these would not be incurred if the information is provided on CD.

Implementation timescales suggested ranged from 3 months to 18 months. One respondent noted that their implementation timescale of 6 months would be once the NHHDA software had been delivered by ELEXONs service provider.

ELEXON contacted those NHHDAs who provided costs based on the information being transferred across the DTN to consider whether these costs would be likely to be different if the information was provided on a CD quarterly. The respondent who provided costs of £5,000 indicated that these costs would not change. The respondent who provided a cost of £12,000 indicated that there would be some additional cost (including an ongoing cost) to put in place a process to produce the CD. The respondent who provided costs of £25,000 indicated that providing this data quarterly on CD would be a cheaper option as the only costs applicable to them would be to add the script provided by the software provider to their batch run.

d) Impact on Transmission Company

No impact.

e) Impact on BSCCo

Area of Business	Impact of Proposed/Alternative Modification
Change Delivery	Change Delivery would be responsible for the implementation of the changes to the BSC and Code Subsidiary Documents as part of a release, co-ordinated with MRASCo. ELEXON would have to manage the required updates to BSCP504 'Non Half Hourly Data Collection for SVA Metering Systems registered in SMRS', BSCP505 'Non Half Hourly Data Aggregation for SVA Metering Systems Registered in SMRS' and BSCP515 'Licensed Distribution'. For the Proposed Modification there will only need to be document changes but the Alternative Modification requires additional ELEXON resource to manage the testing and deployment of the NHHDA software.
Service Delivery	It is anticipated that provision of D0019 or any new flows of data to LDSOs may result in assistance being required for resolution of queries.

f) Impact on Code

Code Section	Impact of Proposed/Alternative Modification
Section S	Section S, paragraph 2.3.2 (i), and Annex S-2, paragraph 4.3 1 (i), of the BSC require the NHHDC to provide validated Metered Data and Metering System reports to the relevant Supplier and the relevant LDSO. Section S, paragraph 2.3.2 of requires NHHDC to provide Estimated Annual Consumption data and Annualised Advance data to relevant Non Half Hourly Data Aggregator. Section S, Annex S-2, paragraph 4.3.1 (h) requires each Supplier to ensure that each of its NHHDC shall (amongst other things) provide Annualised Advance data and Estimated Annual Consumption data to the relevant NHHDA For the Proposed Modification, the BSC would need to make it clear that there is an obligation on the NHHDCs to provide Estimated

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Code Section	Impact of Proposed/Alternative Modification
	Annual Consumption data and Annualised Advance data to the relevant LDSOs. It would also be necessary for the BSC to state that NHHDCs have an obligation to identify the relevant LDSOs and process the data to ensure that each LDSOs only receives data relating to that LDSO. For the Alternative Modification, the BSC would need to make it clear that there is an obligation on the NHHDAs to provide a new flow of data to the LDSO.

A copy of the draft legal text to give effect to these changes can be found in Appendix 1.

g) Impact on Code Subsidiary Documents

Document	Impact of Proposed/Alternative Modification
BSCP504 'Non-Half Hourly Data Collection for SVA Metering Systems Registered in SMRS'	For the Proposed Modification, this BSCP would be updated to note the additional interface between NHHDCs and LDSOs for sending the D0019 flow.
BSCP505 'Non-Half Hourly Data Aggregation for SVA Metering Systems Registered in SMRS'	For the Alternative Modification, this BSCP would be updated to note the additional interface between NHHDAs and LDSOs for sending the new data flow.
SVA Data Catalogue Volume 1	For the Proposed Modification, this data catalogue would be updated to add the LDSO to the list of recipients to the D0019. For the Alternative Modification, this data catalogue would be updated to add the new data flow to be sent to LDSOs.

h) Impact on Core Industry Documents/System Operator-Transmission Owner Code

Document	Impact of Proposed/Alternative Modification
Master Registration Agreement products	This impact was considered under the Terms of Reference. See Section 3.4 of the Assessment Report. For the Proposed Modification, changes to the DTN and DTC would be required to indicate that the LDSO would be an additional recipient of the D0019 flow and to reconfigure the network gateways to allow the D0019 to be passed from NHHDCs to LDSOs. These changes would be progressed only if the Proposed Modification were to be approved, and the implementation timetable would need to allow an appropriate period for change. For the Alternative Modification, no changes to the DTN or DTC are envisaged as the information would be send from the NHHDA to the LDSO via CD, not the DTN. The Impact Assessment from Electralink can be found in the P222 Assessment Report.

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i) Impact on Other Configurable Items

No impact.

j) Impact on BSCCo Memorandum and Articles of Association

No impact.

k) Impact on Governance and Regulatory Framework

No impact.

APPENDIX 5: REPORT PHASE CONSULTATION RESPONSES

Full copies of the consultation responses are attached as a separate document by respondent in Attachment 3.

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