

NETA Change Form

| Title | | Version No. |
|--|---|---------------------|
| P173 - Revised Settlement Arrangements for Emergency Instructions. | | 0.2 |
| | | LogicaCMG Reference |
| | | ICR622 |
| ELEXON Reference | Date CP Received | Date IA Issued |
| MP173 | 03-Nov-2004 | 10-Nov-2004 |
| LogicaCMG Contact Name | Baseline for Impact Assessment | |
| Martin Godden | P173 Requirements Specification version Final/2.0 dated 03/11/04 [P173AS] | |
| Price Breakdown | | |
| Item description | Remarks | Price (ex VAT) |
| Change Specific | Option A | £ 7452 |
| | Option B | £ 7452 |
| | Option C | £ 7452 |
| Incremental Release Costs | Option A | £ 0 |
| | Option B | £ 0 |
| | Option C | £ 0 |
| Fixed Release Costs | Option A | £ 0 |
| | Option B | £ 0 |
| | Option C | £ 0 |

| Total Price (ex VAT) | Option A | £ 7452 |
|----------------------|----------|--------|
| | Option B | £ 7452 |
| | Option C | £ 7452 |

| Price Tolerance | 0% |
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| Justification for Price Tolerance | |
| N/A | |

| Project Duration | Option A | 4 weeks |
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| | Option B | 4 Weeks |
| | Option C | 4 Weeks |
| Cut Off Date for Inclusion in Specified Release (if applicable) | | |
| N/A | | |

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| Operational Price (e.g. per event) (ex VAT) | Option A Option B Option C | £ 175 £ 525 £ 525 |
| Rationale | | |
| See attached Price Breakdown. | | |

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| Annual Maintenance Price (ex VAT) | £ 0 |
| Rationale | |
| The Annual Maintenance Price is zero under the agreement commencing on 1 January 2005. | |

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| Validity Constraints | |
| <ul style="list-style-type: none"> • Price and duration assume that this change is developed in isolation and the effects of other changes are excluded. • Price is for creating DCRs, not a formal documentation issue. • No allowance is included for the final solution being different from the baseline. • No allowance is included for supporting Release Audit activities. Any effort will be charged at contracted T&M rates • No allowance is included for supporting ELEXON assurance activities. Any effort will be charged at contracted T&M rates • No allowance is included for End to End/Participant Testing activities. Any effort will be charged at contracted T&M rates • No allowance is included for Walkthrough activities. Any effort will be charged at contracted T&M rates • No allowance is included to support ELEXON in parallel run testing activities <p>The validity period for this quote is 30 days and the offer is based on the following payment schedule:</p> <ul style="list-style-type: none"> • LogicaCMG will invoice in full for this change on deployment or within one month of the change being ready for deployment • Operate charge invoicing will be deferred until the de minimis limit has been reached | |
| Authorised Signature | Date Signed |
| | |

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| Requirements and Solution |
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| Brief Summary of Change |
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Under P173, Acceptances resulting from Emergency Instructions would be distinguished within Settlement as a Contingency Provision (existing Contingency Provisions are set out in section G of the Code and include, amongst other things, Black Start Periods, Manifest Errors and Past Notification Errors) and treated as follows:

- The Lead Party of the affected BM Unit would not be paid (or pay) for the associated Acceptance at the prevailing Bid or Offer price. Rather a replacement price would be calculated for the affected BM Unit and agreed by the Panel post event;
- BSUoS payments for all Parties would reflect the replacement price; and
- The Acceptance would feed into the existing Imbalance Price calculation at the replacement price.

P173 proposes that the replacement price should represent the Avoidable Costs (as currently defined in Section G.2 of the Code). As such, the replacement price would represent the costs that would not have been incurred but for the changes in Exports and/or Imports caused by responding to the Emergency Instruction and would either be payable to or by the Lead Party of the BM Unit. It is intended that this approach would leave the Lead Party cost neutral when responding to an Emergency Instruction.

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| LogicaCMG's Proposed Solution |
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We have assumed that for all options

- there will be no changes required to reporting functionality
- amendments will not be applied to BMRA and BMRA will not repeat its settlement process
- the resulting QAPO/QAPB goes into the stack at the adjusted price level.

Interim Option A: Acceptance Price not amended at SF run

Activity is required to update documentation to reflect the manual processes required to:

- Receive adjusted Bid-offer pair prices from BSCCo
- Apply changes to SAA before the SF run.

These processes will be repeated as required.

Interim Option B: Acceptance as Un-priced volume at SF. Amended BSAD data fed into Energy Imbalance Price calculation (Like P171/P172)

Activity required to update documentation to reflect the manual processes to:

- Receive Adjusted prices from BSCCo.
- Calculate revised BSAD
- Perform additional Settlement Run to verify BSAD adjustment
- Confirm results of additional run and agree with BSCCo.
- Repeat for all runs after II.

Interim Option C: Acceptance not entered into Settlement until Avoidable Cost established.

So creation of Acceptance needed within Settlement after SF run. Documentation Updated.

Activity is required to update documentation to reflect the manual processes required to:

- Receive agreed data from BSCCo
- Calculate revised Acceptance
- Perform additional Settlement Run to verify Acceptance
- Confirm results of additional run and agree with BSCCo.
- Repeat for all later runs.

| Deviation from ELEXON's Solution / Requirements | | | | | | | |
|---|------|------------------------|-----|---------------------|-----|-----|-------|
| None | | | | | | | |
| Operational Solution and Impact | | | | | | | |
| Option A has a per event requirement to enter amended data. Options B and C have a slightly larger requirement as some reports will need to be re-run as well as the data entry task. | | | | | | | |
| Testing Strategy | | | | | | | |
| Unit | | Change Specific | | End to End | | | |
| Module | | Operational Acceptance | | Participant Testing | | | |
| System | | Performance | | Parallel Running | | | |
| Regression | | Volume | | Deployment/ Backout | | | |
| Other: | | | | | | | |
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| Validated Assumptions | | | | | | | |
| 1) No changes to reporting. 2) Amendments will not be applied to BMRA and it will not repeat its settlement process. 3) The resulting QAPO/QAPB goes into the stack at the adjusted price level. 4) Amendment of business data will require agreed data to be present 1 working day prior to an II run and 5 working days prior to SF and later runs. 5) These changes are a low volume activity i.e. less than 10 occurrences per year. 6) There is no impact on the settlement calendar. | | | | | | | |
| Outstanding Issues | | | | | | | |
| None | | | | | | | |
| Changes to Service | | | | | | | |
| Services Impacted | | | | | | | |
| | BMRA | CDCA | CRA | ECVAA | SAA | TAA | Other |
| Software | | | | | | | |
| IDD Part 1 (Docs) | | | | | | | |
| IDD Part 1 (S'Sheet) | | | | | | | |
| IDD Part 2 (Docs) | | | | | X | | |
| IDD Part 2 (S'Sheet) | | | | | | | |
| URS | | | | | X | | |
| SS | | | | | | | |
| DS | | | | | | | |
| MSS | | | | | X | | |
| OSM | | | | | X | | |
| LWIs | | | | | X | | |
| RTP | None | | | | | | |
| Comms | None | | | | | | |
| Other | None | | | | | | |

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| Nature of Documentation Changes | |
| As detailed in Proposed Solution | |
| Nature / Size of System Changes | |
| Documentation Only | |
| Deployment Issues, e.g. Outage Requirements: | None |
| Impact on Service Levels: | None |
| Impact on System Performance: | None |
| Responsibilities of ELEXON | |
| Within reasonable levels, ELEXON will make available appropriate staff to assist LogicaCMG during the development of this change. | |
| Acceptance Criteria | |
| Documentation:- Address of ELEXON review comments leading to final DCR issue being provided. | |
| Any Other Information | |
| <ul style="list-style-type: none"> We note that there is no mention of forward/reverse pricing using Market Index Data in the BRS. Clarification of which prices can be changed would be a useful addition to the document. We note that BSCP 18 may need to be amended. | |
| Attachments | |
| P173_AS_FINAL_20.doc P173 Price Presentation v0.2.xls | |