

January 2003

**ASSESSMENT REPORT**  
**MODIFICATION PROPOSAL P103 –**  
**Respecification of Trading Data**

**Prepared by the Settlement Standing Modification  
Group on behalf of the Balancing and Settlement  
Code Panel**

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<b>Author</b>	ELEXON

## I DOCUMENT CONTROL

### a Revision History

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0.1	19/12/02	Change Delivery	Initial Draft for peer and SSMG Review
0.2	07/01/03	Change Delivery	Incorporating SSMG and peer review comments. Issued for internal review & final review by SSMG.
1.0	10/01/03	Change Delivery	Issued for Panel Decision

### b Distribution

Name	Organisation
Each BSC Party	Various
Each BSC Agent	Various
The Gas and Electricity Markets Authority	Ofgem
Each BSC Panel Member	Various
energywatch	energywatch
Core Industry Document Owners	Various

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### d Related Documents

Ref.	Document	Owner	Issue Date	Version
1	P103 Modification Proposal	-	7 October 2002	-
2	P103 Initial Written Assessment	ELEXON	10 October 2002	1.0

Unless otherwise stated electronic copies of these documents can be found on the BSC Website, at [www.elexon.co.uk](http://www.elexon.co.uk).

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## 1 SUMMARY AND RECOMMENDATIONS

### 1.1 Recommendations

On the basis of the analysis, consultation and assessment undertaken in respect of this Modification Proposal during the Assessment Procedure, and the resultant findings of this report, the Settlement Standing Modification Group recommends that the Balancing and Settlement Code Panel ('the Panel') is invited to:

- a) **AGREE that the Proposed Modification P103 should not be made;**
- b) **In the event that the Authority determines that the Proposed Modification P103 should be made, AGREE a Calendar Day Implementation Date of:**
  - i) **29 June 2004 if an Authority decision is received from the Authority prior to 20 June 2003; or**
  - ii) **2 November 2004 if a Authority decision is received on or after 20 June 2003 and prior to 24 October 2003;**
- c) **NOTE that no Legal Text has been prepared with respect to the Proposed Modification;**
- d) **CONSULT with the Authority to determine if they would like the draft Modification Report to contain such text;**
- e) **AGREE that Modification Proposal P103 be submitted to the Report Phase in accordance with Section F2.7 of the Code; and**
- f) **AGREE that the draft Modification Report be issued for consultation and submitted to the Panel Meeting on 13 February 2003<sup>1</sup>.**

### 1.2 Background

Modification Proposal P103 'Respecification of Trading Data' (P103) (Reference 1), was raised by Slough Energy Supplies Ltd on 7 October 2002, and the Initial Written Assessment for P103 (Reference 2) was considered by the Panel at its meeting of 17 October 2002. The Panel agreed to submit P103 to the Assessment Procedure to be conducted by the Settlement Standing Modification Group (SSMG) and that an Assessment Report should be presented to the Panel at their meeting on 16 January 2002.

P103 proposes to extend the functionality provided by the Balancing Mechanism Reporting Agent (BMRA) in relation to the Balancing Mechanism Reporting Service (BMRS). In particular, P103 seeks to extend both the content and retention period for information currently provided on the BMRS as well as providing additional tools to allow users to query the data. Such tools referred to within the Modification Proposal include interfaces to

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<sup>1</sup> It should be noted that if the Authority require the draft Modification Report to contain legal text, then BSCCo would require the full 15 Working Days to prepare the draft Modification Report prior to the consultation being undertaken. This would necessitate the draft Modification Report being presented to the Panel meeting on 13 March 2003.

Microsoft® Access® to enable manipulation of the data in a more user friendly and transparent manner. The proposal also seeks to introduce a new interface between the BMRA and the Settlement Administration Agent to ensure that Indicative data items displayed on the BMRS, such as Indicative Energy Imbalance Prices, are updated in line with Settlement Runs that are carried out in accordance with Section U2 of the Code. The Proposer of P103 suggests that implementation of P103 would make data that is published by the BMRA more “user-friendly”. The Proposer has also observed that there currently exists no formal mechanism to provide updates to the display of the Indicative data that is published on the BMRS other than via the System Operator variant of the Settlement Report (S0142) and has observed, therefore, that the Indicative data is never updated.

### 1.3 Rationale for Recommendations

In summary, the majority of the SSMG believed that P103 promoted competition in the Generation and Supply of Electricity and that this better facilitated achievement of Applicable BSC Objective (c). The SSMG however were concerned that the central costs of implementing P103 were prohibitive and that most Parties had already developed their own facilities to analyse data available on the BMRS High Grade Service. The SSMG concluded therefore that Applicable BSC Objective (d) would not be better achieved by the introduction of P103. On balance the majority of the SSMG concluded that the lack of facilitation of the achievement of Applicable BSC Objective (d) far outweighed any benefit that could be achieved by the promotion of increased competition in the Generation and Supply of Electricity.

Full details of the rationale for the recommendation of the Settlement Standing Modification Group (SSMG) are contained within Section 5 of this Assessment Report.

## 2 INTRODUCTION

This Report has been prepared by ELEXON Ltd., on behalf of the Panel, in accordance with the terms of the Balancing and Settlement Code (‘the Code’). The Code is the legal document containing the rules of the balancing mechanism and imbalance settlement process and related governance provisions. ELEXON is the company that performs the role and functions of the BSCCo, as defined in the Code.

An electronic copy of this document can be found on the BSC Website, at [www.elexon.co.uk](http://www.elexon.co.uk)

## 3 MODIFICATION GROUP DETAILS

This Assessment Report has been prepared by the SSMG. The Membership of the SSMG consisted of the following independent industry experts:

Member	Organisation
Justin Andrews	ELEXON (Chairman)
Ian Calvert	British Sugar
Robert Barnett	Campbell Carr
Sanjukta Round	Cornwall Consulting
Marie Branch	International Power
Robert Owens	Marubeni
Richard Lavender	National Grid
Ben Willis	Npower

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Paul Jones	Powergen
Steve Garrett	Slough (Proposer P103)
Richard Clarke	ELEXON (Lead Analyst)

In addition to the above members of the Modification Group, the following people attended the meetings of the Modification Group.

<b>Attendee</b>	<b>Organisation</b>
Mark Manley	British Gas Trading
Lisa Waters	Dynegy
Mark Thomas	Innogy
Jim Beynon	LE Group
David Lyon	Nabarro Nathanson
Adam Higginson	Ofgem
Paul O'Donovan	Ofgem
David Edward	Ofgem
Phil Russell	TXU

## 4 DESCRIPTION OF PROPOSED MODIFICATION

### 4.1 The Proposed Modification

#### 4.1.1 Overview of Proposed Modification

P103 seeks to make a number of changes to the content and availability of data displayed on the BMRS. In particular, P103 suggests that:

- a) Indicative data, currently displayed on the BMRS, should be updated to show the actual values calculated in accordance with the Settlement Runs;
- b) The data retention period for data displayed on the BMRS should be increased from the current 12 months from the publication of Indicative data, to 12 months after publication of any updates to data, and a data archive and retrieval service should be introduced to recover data that has been archived;
- c) Tools should be provided to allow users to perform simple queries on data held on-line, for example to obtain daily averages / totals by company. The exact specification for such tools will be developed as part of any implementation project for P103;
- d) Users of the BMRS should be allowed to retrieve data for multiple Balancing Mechanism Units (BMUs) and data for multiple Settlement Days;

P103 also proposed that the following additional data items be displayed on the BMRS:

- a) Half Hourly Transmission Loss Multiplier Data;
- b) Half Hourly Residual Cashflow value in £/MWh;
- c) Half Hourly metered output by BM Unit;
- d) Net imbalance position by Party account;
- e) Net system imbalance before NGC's non balancing actions<sup>2</sup>;
- f) Providing identifiers to accepted BM Trades that are arbitrage trades; and

<sup>2</sup> It has been assumed that this data requirement refers to the Net Imbalance Volume as introduced by the implementation of Proposed Modification P78.

- g) Identifiers for each bid, offer and acceptances which have been tagged as, included in, or excluded from the Energy Imbalance Price calculations.

For the purposes of undertaking a consultation the Proposed Modification was split into four requirements:

- Requirement 1: Updating data following each Settlement Run;
- Requirement 2: Data retention, archiving and retrieval;
- Requirement 3: Additional data querying facilities; and
- Requirement 4: Additional data requirements.

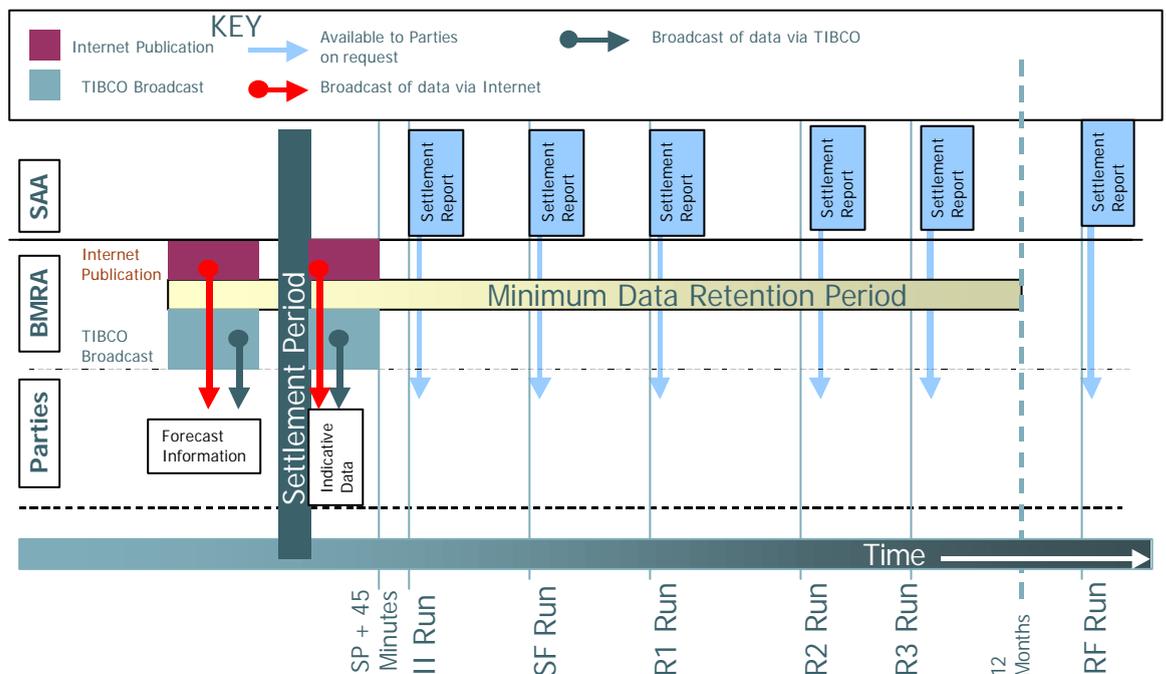
The remainder of this section 4.1 provides further detail on these requirements

#### 4.1.2 Requirement 1: Updating Data Following Each Settlement Run

Figure 1 below illustrates the current reporting regime in relation to forecast data, passed to the BMRA in accordance with Section V of the Code.

Figure 1 shows time progressing from left to right. The time period shown starts on the day immediately prior to a Settlement Period, through the relevant Settlement Period and Settlement Runs (Interim Information (II), Initial Settlement Run (SF) First Reconciliation Run (R1), through to the Final Reconciliation Run (RF)). Activities associated with Parties, the BMRA or SAA are identified and shown to the right of the box identifying the relevant Party or BSC Agent. The various Settlement Runs are shown as vertical lines as time progresses.

**Figure 1 – Illustration of the current reporting with respect to the BMRA and SAA**



The figure illustrates the forecast data published by the BMRA at the day ahead stage, on both the High Grade Service via the TIBCO software interface, and on the Low Grade Service web site ([www.bmreports.com](http://www.bmreports.com)) (represented by a red arrow).

BSC Parties choose either to have the relevant data items transmitted to them over the High Grade Service, or they interrogate the Low Grade Service to retrieve individual data items they require on an ad hoc basis. Use of the High Grade Service is available to both BSC Parties and Non Parties and allows recipients to store the raw data provided by the BMRA relatively easily within their own IT systems. It should be noted that any person with an Internet browser could view the data currently provided on the BMRS Low Grade Service<sup>3</sup>.

The figure shows that within 45 minutes<sup>4</sup> of the end of any Settlement Period, Indicative data, as calculated by the BMRA, is made available to BSC Parties using both mechanisms described above (i.e. using the Low Grade Service and High Grade Service via Internet publication and Broadcasting using TIBCO software respectively). The diagram also shows that this BMRA data must be retained for a 12-month period<sup>5</sup> from the date it is published.

In practice data has been retained for longer than the minimum period and at the time of writing this report, no data has been removed from the BMRS because it is older than the minimum data retention period. Following the publication of Indicative data for a Settlement Period, the BMRA does not update this data in line with the subsequent Settlement Runs.

Following each Settlement Run, BSC Parties can also receive copies of the System Operator variant of the Settlement Report SAA-I014: Settlement Report, sub-flow 2 (S0142) in addition to the variant of the report that applies only to those BSC Parties. Following the Implementation of Change Proposal CP712, "Transmission Company Sub-flow SAA-I014 Availability", in December 2002 the SAA-I014: Settlement Report, sub-flow 2 (S0142) was made available to Parties via the BMRS High Grade and BMRS Low Grade Services for a seven-day period. In addition, ELEXON currently publish a "Best View" price for each Settlement Period on the BSC Website ([www.elexon.co.uk](http://www.elexon.co.uk))<sup>6</sup>.

The Proposer of P103 argues that the current arrangements for receiving data, as published by the BMRS High Grade Service, require the development of complex Information Systems.

### ***Updating data following subsequent Settlement Runs***

The requirement identified within P103 states that the data should be updated in line with subsequent "Reconciliation Runs". However, the SSMG agreed that this should apply to all Settlement Runs undertaken and not be confined to Reconciliation Runs.

The requirement to update data on the BMRS in line with all Settlement Runs would enable BSC Parties and non Parties to access data that is not currently available on the BMRS. It should be noted as stated above, that this data is available to all BSC Parties from the SAA in the form of the SAA-I014: Settlement Report, sub-flow 2 (S0142). The Proposer of P103

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<sup>3</sup> References throughout this document relating to BMRS Low Grade Service and BMRS Internet web site refer to [www.bmreports.com](http://www.bmreports.com)

<sup>4</sup> As defined in paragraph V2.3.3

<sup>5</sup> As defined in paragraph V2.2.4

<sup>6</sup> During assessment of P103, it was noted that there exists no formal obligation to publish this data.

argues that an obligation to publish the latest available data should be placed on the BMRA.

The SSMG agreed that data displayed on the BMRS should be updated by being overwritten at subsequent Settlement Runs.

Figure 2 shows how the distribution of data, as shown in Figure 1, might change if data were to be updated at the Interim Information Run as a result of P103 being implemented. Figure 3 shows the same for all Settlement Runs. The Figures show data that is updated at each Settlement Run and illustrates the new interface required between the SAA and BMRA to receive the Settlement Report (SAA-I014: Settlement Report, sub-flow 2 (S0142)).

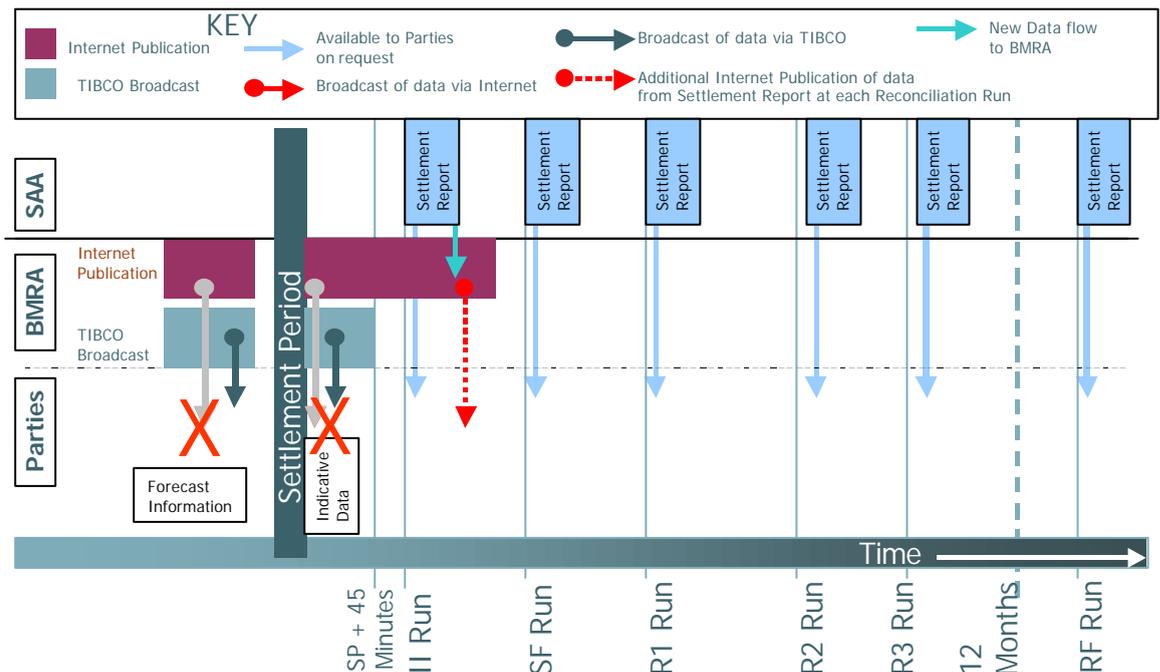
In order to implement P103 it was suggested by the SSMG that the BMRA should not be obliged to calculate the new values for the relevant data items but should instead report data that is passed to it by the SAA.

The transmission of the Settlement Report (SAA-I014: Settlement Report, sub-flow 2 (S0142)) from the SAA to the BMRA and the subsequent publication of the relevant data items on the BMRS. The Settlement Report (System Operator variant) contains the necessary data items that are to be updated in accordance with the Settlement Run timetable and required to be displayed on the BMRS.

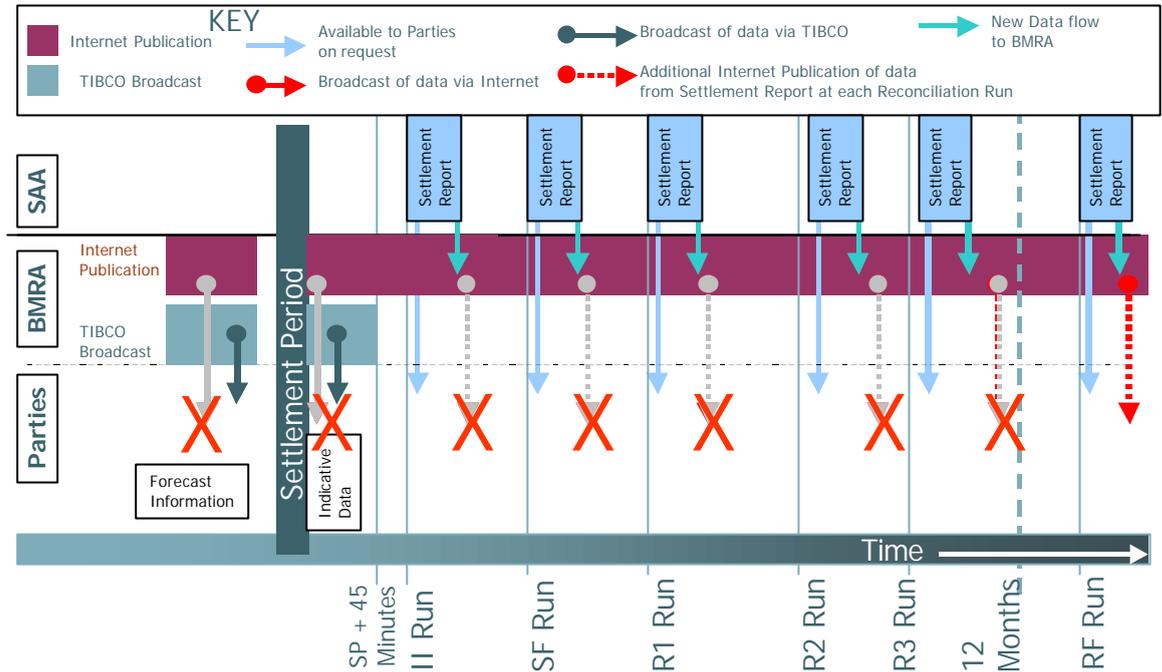
The Figures show that for a given Settlement Period/Day, data previously available on the BMRS (i.e. indicative or forecast data) that has been updated is no longer available (represented by an X'). This approach to updating data means that only the latest information would ever be displayed on the BMRS.

The Figures do not attempt to show any additional data that may need to be sourced, as a result of the implementation of P103 although it is not believed that this will be a significant issue (See Requirement 4).

**Figure 2 – Update of BMRA data in line with Interim Information Run – Approach 1**



**Figure 3 Updates to data carried out at each Settlement Run – Approach 1**



The BMRA is currently required to calculate, store and publish on-line, derived values for each Settlement Period within 45 minutes from the end of the Settlement Period. The SSMG agreed that the data listed below should be updated following the completion of each Settlement Run:

- a) Indicative Accepted Offer Volume
- b) Indicative Accepted Bid Volume
- c) Indicative Period BM Unit Total Accepted Offer Volume
- d) Indicative Period BM Unit Total Accepted Bid Volume
- e) Indicative Period BM Unit Offer Cashflow
- f) Indicative Period BM Unit Bid Cashflow
- g) Indicative System Total Accepted Offer Volume
- h) Indicative System Total Accepted Bid Volume
- i) Indicative System Total Un-priced Accepted Offer Volume
- j) Indicative System Total Un-priced Accepted Bid Volume
- k) Indicative Total Accepted Priced Offer Volume
- l) Indicative Total Accepted Priced Bid Volume
- m) Indicative System Buy Price
- n) Indicative System Sell Price

The SSMG agreed that, in the case of updating data on the BMRS in accordance with the relevant Settlement Runs, such data should be displayed within one working day of the receipt of the data from the SAA.

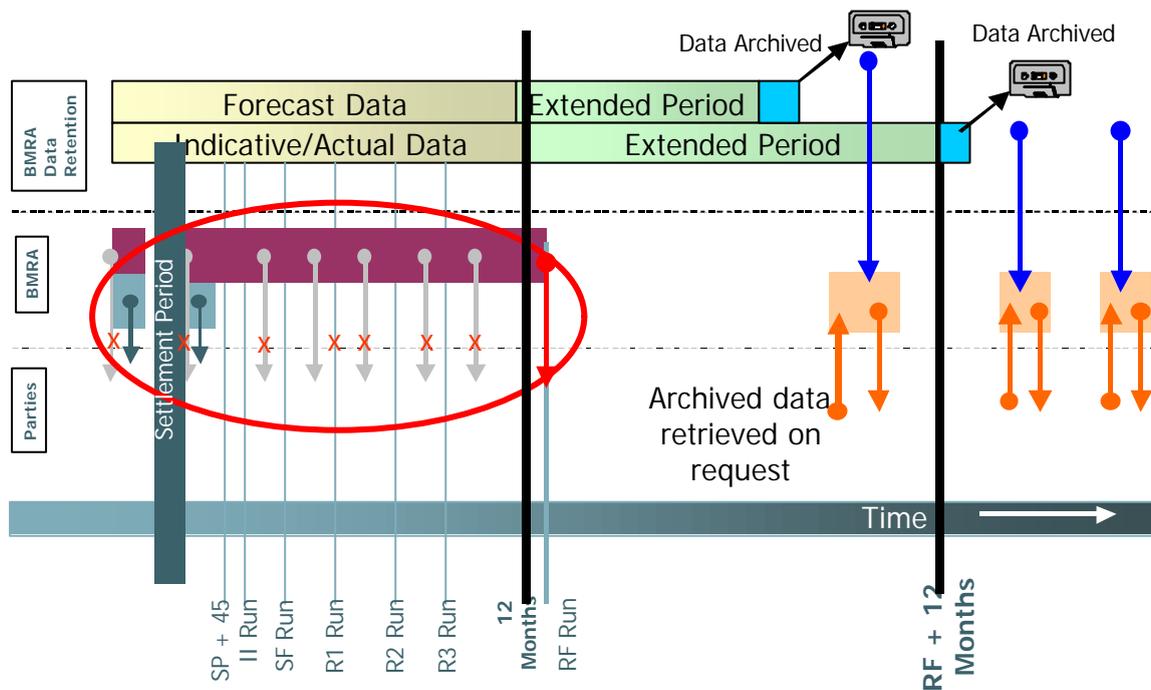
**4.1.3 Requirement 2 – Data Retention, Archiving and Retrieval**

Requirement 2 relates to the data retention period for data published on the Low Grade BMRS. This requirement also deals with the archiving and retrieval of such data.

P103 suggests that the current data retention period of 12 months from publication of the data, as specified in Section V of the Code and within the BMRS User Requirements Specification (URS), be extended.

Figure 4 provides a simplified representation of figures 1 - 3, showing an extended time period, and has been modified to show the data retention periods for both forecast data and Indicative data as updated by subsequent Settlement Runs.

The Figure shows the data retention period to be adopted by the BMRA, were the current limit of 12 months to be used for the period beyond the Final Reconciliation Run. The key and format of the diagrams remains the same as figures 1 - 4.



**Figure 5 – Proposed extension to Data Retention Period and Archiving Requirements**

Figure 5 shows the existing principle of data being retained for 12 months after the publication date on the BMRS (yellow bar) for Forecast Data, or 12 months after the Settlement Day, for other data, whilst the green bars represent an extended retention period over that which currently exists. Following the extended data retention period it was proposed that the data be archived and made available to on request to Parties (shown by the blue and orange arrows).

The Figure highlights a number of issues associated with the requirement to extend the data retention period, to archive and to retrieve archived data. Views on these issues were

requested during the P103 Assessment Procedure. The issues and the SSMG view in respect of these issues is shown below:

- a) Duration of availability of archived data
- b) Duration of data retention – The Impact Assessment received from the BMRA;
- c) Interaction with Modification Proposal P107.

#### ***Duration of Availability of Archived Data***

Once data has been removed from the BMRS, P103 proposes that it could be archived for a further period of time. The SSMG confirmed that the BSC Agent should be requested to provide a cost for providing this service were the data to be retained in a data archive for 5 years following the date on which it was archived. The BSC Agent response to the consultation stated that it would be more cost efficient to extend the data retention period for data kept online rather than introducing a new data archiving and retrieval service. The SSMG concluded that this was an appropriate mechanism for resolving the defect identified within P103 in respect of data availability and that the description of the Proposed Modification was sufficiently flexible to allow this.

#### ***Duration of Data Retention***

The SSMG agreed that data should be retained on the BMRS for 12 months after publication of that data.

If Requirement 1, as outlined within this document were to be implemented, it could be argued that it would not be worthwhile unless the period of time that data was available was sufficient to allow comparisons of data to be made throughout the Settlement Run timetable. This requirement may be seen to allow any parties (whether BSC Signatories or not) who have chosen not to use the High Grade Service, access to information which could be used in the negotiation and management of contracts with counter-parties. It should be noted that access to the High Grade Service is available to all Parties, although the Proposer of P103 suggests that there may be financial reasons or resource issues why some Parties have not taken up the option of using this service.

#### ***Interaction with Modification Proposal P107***

It is also important to note that Modification Proposal P107 is also seeking to define the data retention period for data held by each BSC Agent. It is noted that the some BSC Agents currently have data retention requirements of 28 months.

#### **4.1.4 Requirement 3: Additional Data Querying Facilities**

Requirement 3 relates to the additional tools that are made available to users of the BMRS to allow more flexible access to the data displayed on the BMRS.

P103 suggests that additional tools (created from say, Microsoft® Access®) should be provided to allow users to perform simple queries against the data held on the BMRS. Examples of the queries provided by the Proposer of P103 include the downloading of daily averages or totals, totals by company etc.

Given that the data published by the BMRA must be made available within the timescales provided within the Code, (for example the requirement to publish Indicative data within 45

minutes of the end of a Settlement Period), the SSMG concluded that it may be appropriate that a secondary data repository be set up that allows users to undertake such queries.

***Access to data over multiple BM Units or Settlement Days.***

P103 proposes that users of the BMRS are allowed to retrieve data for multiple BMUs and/or multiple Settlement Days. The Proposer of P103 has asserted that this feature would enable the following services to be provided:

- Providing BM Bid-offer stack and aggregated information on it;
- Providing BM acceptance stack and aggregated information on it;
- Providing aggregations by fuel type;
- Providing the gross volume of long and separately (short) energy imbalance volumes; and
- Providing the gross volume of long and separately (short) information imbalance volumes.

The SSMG discussed whether any additional information was required in order to fulfil this obligation. The SSMG expressed concern about the degree to which BSC Parties might come to rely on any aggregated information in case there were ever any error in its calculation. However, the SSMG, whilst agreeing with the need for flexible querying of data across multiple BM Units and Settlement Days, did not consider it was appropriate to provide additional information such as fuel type on the BMRS. The SSMG were of the opinion that most companies would already know the fuel type of any BM Units they were interested in and therefore undertake queries based on the BM Units in a particular area of interest.

**4.1.5 Requirement 4: Additional Data Requirements**

P103 specifically identifies the following additional data items for display on the BMRS:

- a) Half Hourly Transmission Loss Multiplier Data;
- b) Half Hourly metered quantities by BM Unit;
- c) Net imbalance position by Party account; and
- d) Net system imbalance before NGC's non-balancing actions.

Items a) to c) above are currently provided within the System Operator variant of the Settlement Report. P103 also requests further information to be provided which is not provided as specified within the System Operator variant of the Settlement Report. Specifically:

- a) Half Hourly Residual Cashflow value in £/MWh;
- b) Providing identifiers to accepted BM Trades that are arbitrage trades;
- c) Identifiers for each bid, offer and acceptances that have been tagged as included in or excluded from the Energy Imbalance Price calculations.

With respect to the "Half Hourly Residual Cashflow value in £/MWh" it is assumed that this is the "Residual Cashflow Reallocation Charge" calculated on a £/MWh basis. The SSMG

anticipated that this could be calculated by the BMRA carrying out processing on the data contained within the System Operator variant of the Settlement Report.

With respect to the provision of additional identifiers, the SSMG assumed that in order to avoid further processing by the BMRA, this additional data could be made available from the SAA following each Settlement Run. The SSMG suggested that this could be implemented by the introduction of relevant changes to the Settlement Report.

The identification of identifiers for arbitrage trades and bid, offer and acceptances could theoretically be produced by the BMRA during the calculation of Indicative data, shortly after the completion of the Settlement Period. However, this would however force the BMRA to increase its processing capacity and possibly affect the ability to publish data in a timely manner for the recent Settlement Periods. A solution to this would be for the SAA to produce the tagging information when the Energy Imbalance Prices are calculated in accordance with the Settlement Runs. This data could then be passed to the BMRA prior to its publication on the BMRS.

## **5 ASSESSMENT OF MODIFICATION PROPOSAL**

### **5.1 Consideration by the Settlement Standing Modification Group**

The SSMG met four times during the Assessment Procedure for P103, on the 23 October 2002, 11 November 2002, 10 December 2002 and 7 January 2003. At the last meeting the SSMG confirmed that they were content that with the process followed.

The SSMG discussed the issues associated with P103. In particular they recognised that there were four distinct aspects to the Modification Proposal:

- a) The provision of additional data not currently held by the Balancing Mechanism Reporting Agent (BMRA);
- b) The provision of additional tools and services relating to the manipulation of data and its subsequent archiving;
- c) The archiving and retention of data on the BMRS; and
- d) Updating data displayed on the BMRS following each Settlement Run.

The SSMG discussed whether or not the list of requested data items specified in P103 had been intended to be exhaustive. It was suggested that the list of data items could be a minimum requirement and that it might be possible to change this list during the development of the Proposed Modification or any potential Alternative Modification. The SSMG concluded that the term "Net System Imbalance before NGC's non-BM balancing actions" referred to in P103, probably referred to the Net Imbalance Volume (NIV) as introduced by Modification Proposal P78 (P78). The Proposer of P103 confirmed this to be the case.

The SSMG noted that the issue of providing additional options for making market data available has been discussed at the meeting of the Imbalance Settlement Group on 23 September 2002. The SSMG believed that the ISG had decided not to progress an option similar to that described by P103 as there would be little take up of the service given that participants had developed or procured their own services.

The Proposer's representative suggested that it would be more useful if market information were more readily accessible to all market participants. However, the majority of the SSMG took the view that the data formats used on the BMRS were ones that could be easily interpreted by computer systems should Parties / 3<sup>rd</sup> Party providers wish to develop their own software to manipulate the data. Some members of the SSMG questioned whether it should be BSCCo's responsibility to provide tools to allow market participants to analyse data or whether this should be the responsibility of the relevant participant.

One member of the SSMG queried whether the provision of data in both a raw format and an aggregated format raised a liability issue in the event that the aggregation were incorrectly performed. During the assessment of P103 it was determined that data would not be provided in an aggregated form and therefore this was not an issue for P103.

The SSMG discussed the provision of information, following each timetabled Settlement Run and observed that this information is already provided within the System Operator Variant of the Settlement Report (SO142). The System Operator variant of the Settlement Report contains data relating to all Parties and was via a File Transfer Protocol (FTP) link for a seven day period<sup>7</sup>. The SSMG therefore concluded that reference would be made to how Parties currently obtain each data item in the Assessment Procedure consultation.

The SSMG discussed the potential for distributing confidential data via the BMRS and made a distinction between data that is confidential to an individual Party and data that is private to all BSC Parties ('Private Data'). The Proposer's representative suggested that Private Data could be provided to those participants that were entitled to receive such data by using a private area of the Low Grade BMRS which was Party specific. The Detailed Level Impact Assessment would identify the additional costs of providing this service.

The SSMG questioned whether Parties and non Parties would be willing to pay for the, potentially substantial costs, of developing the additional service. They expressed concern that the implementation of this Modification Proposal might change the emphasis of ELEXON's role into one of providing software to participants rather than meet its other obligations under the Code. The Proposer argued that P103 addresses a discriminatory barrier that runs contrary to the Applicable BSC Objectives. The Proposer further suggested that the cost of removing such a barrier that, in their opinion should not have existed in the first place should not be regarded as an "additional" burden that Parties have to bear.

The SSMG concluded that it would be appropriate to consult on whether Parties and non-Parties would take up the offer of the additional services if they had to pay for them and whether the information currently available only to BSC Parties should be made more widely available. The SSMG concluded that the consultation should be structured in such a way as to allow Parties to indicate the costs they would be prepared to pay for each of the services to be provided.

At their second meeting, the SSMG were presented with a copy of the draft Requirements Specification which had been produced by ELEXON on behalf of the Group. The document categorised the Modification Proposal as highlighting the four main requirements that had been identified at the first meeting (see above).

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<sup>7</sup> Prior to the introduction of Central Volume Allocation (CVA) December '02 Release on 10 December 2002, this information was made available to by e-mail. The historic list of SO142 files is available on CD-ROM from ELEXON.

The SSMG discussed each requirement in turn and addressed the issues highlighted by the draft Requirements Specification. In particular:

### **Requirement 1 – Updating Data Following each Settlement Run**

The SSMG considered the current data retention position and noted that whilst the requirement was for the BMRA to retain data for 12 months, data was currently available for all Settlement Days since Go-Live and had not been deleted from the BMRS.

The SSMG considered two approaches to delivering Requirement 1. Both approaches avoided the BMRA having to recalculate the Energy Imbalance Prices at each subsequent Settlement and Reconciliation Run and used the System Operator Variant of the Settlement Report (SO142). The SO142 was used to obtain the data that could be subsequently published on the Internet instead of the BMRA having to recalculate it.

The first approach would update data after each Settlement Run, whilst the second approach would display data available from each reconciliation on the BMRS. The question of the most appropriate approach to address this requirement was included within the P103 consultation.

The SSMG agreed that data updated as a result of a Dispute Runs should also be updated on the BMRS depending on the costs of doing this. However, the SSMG felt that data that is made available following Settlement and Reconciliation Runs should not be rebroadcast via the TIBCO interface.

### ***Publication Timescales***

The SSMG confirmed that the current publication timescales should not be affected by the requirement to publish additional data items. (i.e. the obligation to publish Indicative data would remain at 45 minutes following the end of the Settlement Period).

The SSMG also agreed that data updated following each Settlement Run should be published on the Low Grade Service within 1 Working Day and this should be factored into any impact assessment provided by the BMRA.

### ***Data Items to be updated***

The SSMG agreed that the following data items listed below should be updated following each Settlement Runs. The consultation carried out, as part of the Assessment Procedure should seek views on this decision.

**Table 1**

Indicative Accepted Offer Volume
Indicative Accepted Bid Volume
Indicative Period BM Unit Total Accepted Offer Volume
Indicative Period BM Unit Total Accepted Bid Volume
Indicative Period BM Unit Offer Cashflow
Indicative Period BM Unit Bid Cashflow
Indicative System Total Accepted Offer Volume

Indicative System Total Accepted Bid Volume
Indicative System Total Un-priced Accepted Offer Volume
Indicative System Total Un-priced Accepted Bid Volume
Indicative Total Accepted Priced Offer Volume
Indicative Total Accepted Priced Bid Volume
Indicative System Buy Price
Indicative System Sell Price

## **Requirement 2 - Data Retention, Archiving and Retrieval**

### ***Duration***

The SSMG discussed what periods should be used for data retention. The SSMG were of the opinion that this depended entirely on the development and operational costs and agreed that the BSC Agent impact assessment should ask for a cost per additional year of data retention.

### ***Costs of data retention***

The SSMG discussed who should bear the costs of providing a data archive service, and concluded that P103 had intended that the costs to be funded centrally.

### ***Duration of data retention once archived***

The SSMG discussed how long the data should be retained once it has been archived. Following their final meeting they concluded that if access to data were required for a longer period than presently available a Code modification could be raised to extend the data retention period rather than provide a separate data archive and retrieval service.

### ***Interaction with P107***

The SSMG noted that there was a potential interaction with Modification Proposal P107 that dealt with the data retention from BSC Agents.

## **Requirement 3 – Data querying facilities**

The SSMG discussed the requirement to allow additional facilities for querying data on the BMRS. The SSMG was concerned that allowing access to the underlying live database might compromise the BMRA's obligations to publish certain data within 45 minutes on the BMRS.

The SSMG also discussed whether that the requirement required the use of Microsoft® Access® Interfaces. The SSMG concluded that it would not be necessary to have a Microsoft® Access® interface providing a suitable database solution with a querying facility, such as Structured Query Language (SQL), was provided. The Proposer of the Modification stated that it was their belief that the file formats were not available in a user-friendly format. However a member of the SSMG stated that this was probably because the file formats were designed for use by computers and it was up to individual Parties to develop suitable interfaces to interpret the data.

One member of the SSMG asked whether ELEXON would be seeking quotes from 3<sup>rd</sup> Party providers other than BSC Agents. As P103 had suggested that changes must be made to the data available on the BMRA. A question would however be asked in the consultation to determine whether Parties were aware of any 3<sup>rd</sup> Party providers of such a service to address the Terms of Reference set by the Panel for P103.

#### **Requirement 4 – Additional Data Requirements**

The SSMG discussed the additional data requirements proposed by the P103. They concluded that the majority of data items could be sourced from the System Operator variant of the Settlement Report (SO142).

The SSMG noted, however, that it would not be possible to source the tagged data items from the SO142 and concluded that the most appropriate mechanism for delivering this requirement would be for the SAA to determine the tagged data items and pass these onto the BMRA in a revised SO142.

The SSMG also concluded that it would be appropriate if this data were to be updated after each Settlement Run.

The remainder of this section of the Assessment Report addresses the views expressed during the P103 Consultation.

## **5.2 Assessment of P103 Against the Facilitation of the Achievement of the Applicable BSC Objectives**

At their meeting on 10 December 2002 and again at their meeting on 7 January 2003, the SSMG considered whether P103 better facilitated the achievement of the Applicable BSC Objectives. The SSMG considered the views of the consultation respondents.

The views of the majority of the SSMG were that:

- a) The BMRS was not designed as a tool to report prices used within Settlement. The view of the SSMG was that such information was available to BSC Parties within the Settlement Report<sup>8</sup>;
- b) The Indicative data reported on the BMRS is displayed both graphically and, in a number of cases, in Comma Separated Value (CSV) format. This provides the ability to view the data or retrieve it for use within Parties' information systems;
- c) Parties were encouraged to develop their own market monitoring systems at Go-Live for the New Electricity Trading Arrangements (NETA). The investment already made by Parties in developing those market monitoring systems would have been made in vain with further investment being required to fund a centrally developed enhanced reporting system;
- d) The availability of such information as that provided by P103 could lead to an increase in competition of Generation and Supply of electricity and therefore P103 could better facilitate Applicable BSC Objective (c);

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<sup>8</sup> It should be noted that Settlement Reports are not available to non Parties.

- e) The SSMG were unanimous in expressing strong concern about the very high level of costs provided by the relevant BSC Agents in their response to the Detailed Level Impact Assessment. Taking into account these substantial costs and the fact that inefficiencies would be introduced by P103 as Parties had already developed their own systems for storing this information the majority of the SSMG believed that P103 would not introduce efficiency increased efficiency. The majority of the SSMG believed that were a Party to require such information it was could be retrieved using the High Grade BMRS. The SSMG therefore believed that the introduction of P103 would not better facilitate the achievement of Applicable BSC Objective (d);
- f) In weighing up the different views with respect to each of the Applicable BSC Objectives, that although the achievement of Applicable BSC Objective (c) may be better facilitated, this would be far outweighed by the lack of achievement of Applicable BSC Objective (d) for the reasons presented above.

A view, held by one member, was that the proposal would not better meet BSC objective (c) as it would amount to subsidising new entry. This was because existing participants would be paying for data manipulation and analysis tools to be provided to entrants free of charge, whilst they had been required to procure their own facilities at significant cost. The same member observed that the ability to manipulate and analyse data better than your competitors was a legitimate source of competitor advantage and this would be undermined by the proposal. The member that held this view felt Applicable BSC Objective (c) would be better facilitated by a different Modification Proposal, such as P114, that made access to raw data more widely available. Therefore in their opinion market based solutions could develop to allow third parties to carry out data analysis on behalf of those participants who did not have the resources to do so themselves.

Other arguments expressed by individual members of the were:

- a) At present, the BMRS data is misleading as it is generally out of date in that it displays Indicative data and not the latest available values for such data.
- b) There exists no formal obligation on BSCCo to publish or guarantee the accuracy of its "Best View Prices" spreadsheet. The BMRS was created in order to provide non Parties as well as smaller Parties with data in a form intended to be useable by parties who are unable to utilise the raw data available in the high grade service. The BMRS is not developed to the point of meeting that need effectively and that the current situation is therefore contrary to Applicable BSC objectives.
- c) The lack of the information places Licensed Exempt Generators (LEGs) under an undue disadvantage relative to larger Parties, who, in their opinion, often have the resources to access and process the relevant data themselves. These services should be available to those parties who did not have the resources to have made such investment at "Go-Live". They are an integral part of the market structure and should therefore be regarded as "unfinished business" from the introduction of the NETA.
- d) P103 would not have any adverse effect on Applicable BSC Objective (d) and that P103 would better facilitate the achievement of Applicable BSC objective (c) and therefore the modification should be implemented.

All views expressed were fully considered by the SSMG in making their majority recommendation that P103 should not be made.

### **5.3 Implementation Approach to requirement to update BMRS in line with Settlement Runs**

The SSMG considered the views of the consultation respondents together with the costs of implementation of each of the options identified to address Requirement 1. The SSMG concluded that in the event that P103 was approved, it was appropriate to simply update the data to provide only the latest available information on the BMRS. No comparison would be provided between data on different Settlement Runs.

### **5.4 The Use Made of the Facilities, Development Costs and Cost Recovery for P103**

The SSMG noted the development costs for P103 and, as stated in the discussions of whether P103 better facilitated achievement of Applicable BSC Objective (d), expressed concern that these were significant.

The SSMG noted that few BSC Parties would be interested in taking up the facilities offered by P103 and that the main beneficiaries would be those Parties who had not invested in the development or procurement of systems or services to deliver this functionality.

With regard to central funding for P103, the SSMG noted that the majority of respondents would not use and did not favour any central funding of the development costs for P103. The SSMG also noted that the majority of those respondents who favoured central funding of the development costs would actually pay little or nothing towards the development costs.

The SSMG also noted the views of the respondents to the consultation which stated that greater participation in the market would occur as a result of the introduction of P103, however they remained unconvinced of this argument and were sympathetic to those Parties who had already invested in the development of systems and processes to monitor and analyse the data already available from the SAA in the SO142 report.

The SSMG confirmed it was their understanding that the intention behind the proposal itself was that such facilities should be centrally funded. The Proposer of P103 has maintained the view that these systems and services should have been provided on NETA Go-Live as an integral part of the market structure. In their opinion, the purpose of P103 is to correct this omission on behalf of LEGs and other non Parties. In response to the issue of the number of BSC Parties that may use the facilities introduced under P103, the Proposer has stated that "it is those who are not currently BSC parties whom P103 is intended to benefit". The Proposer has further stated that "it is unsurprising that those who are currently BSC parties would not be interested in taking up the modification, given that they are likely to have the necessary resources to carry out the required processing of the currently available data".

### **5.5 The Data Items to be Updated Following Settlement Runs**

Whilst the SSMG confirmed that they did not believe that P103 better facilitated the achievement of the Applicable BSC Objectives, they recognised the fact that the Authority may require the production of legal text during the Report Phase. With this in mind the SSMG agreed with those respondents who stated that the data items to be updated in line with the Settlement Runs are those found in Table 1.

## **5.6 Suitable Data Retention and Archiving Period**

The SSMG reviewed the response to the Detailed Level Impact Assessment provided by the BSC Agent. They noted the recommendation that rather than archive the data and provide a data retrieval service; the data could simply be made available for a longer period on-line.

The SSMG concluded that, were the Authority to request legal text for P103 and subsequently approve the Proposed Modification, that the suitable data retention period should be 12 months following the date of publication.

## **5.7 Existing Commercial Service Providers**

The SSMG noted that service providers willing to offer the solution proposed by P103 existed and that Parties were free to enter into commercial agreements with those organisations.

## **5.8 Views on the appropriateness of making public data that is currently confidential to BSC parties**

As part of their discussion on the Proposed Modification, and following the results of the detailed level impact assessment from the BSC Agents, the SSMG noted that an indicative cost of approximately £200,000 would be charged in the event that the additional data items were to remain confidential to BSC Parties. The SSMG concluded however that this facility would not be necessary, as it was the intention of P103 to make such data publicly available.

## **5.9 Calendar or Settlement Day Implementation**

The SSMG consider whether it was appropriate to adopt a Calendar Day or Settlement Day implementation for P103, in the event that the Authority determined that P103 should be approved. The SSMG discussed the fact that Indicative Data is currently available from Go-Live on the Low Grade Service and that access is not restricted to this data from the day that the Party acceded to the Code. The SSMG therefore felt that in the event P103 was approved it was appropriate to allow access to all data back to the later of Go-Live or the new data retention period. In order to achieve this it would be necessary to adopt a Calendar Day implementation for P103.

# **6 IMPACT ON BSC AND BSCCO DOCUMENTATION**

## **6.1 BSC**

Changes would be required to Section V of the Code to include the additional data items to be presented to the users of the BMRS and to amend the data retention period for data held on the BMRS. Section E of the Code (BSC Agents) may also need to change to identify the obligation to provide additional querying tools.

## **6.2 Code Subsidiary Documents**

Changes will be required to both the Reporting Catalogue and the Interface Definition Document.

### 6.3 User Requirements Specifications

Changes would be required to the User Requirements Specification for both the BMRA and the SAA in order that the relevant data items and in the case of the BMRA the data retention period is fully documented.

### 6.4 Neta Data File Catalogue

The Neta Data File Catalogue requires amendment to include the amendments required to the SO142 report.

### 6.5 Service Descriptions

Changes to the Service Descriptions would be required to allow the new flow of data between the SAA and the BMRA to be identified.

## 7 IMPACT ON BSC SYSTEMS

Implementation of P103 would affect the systems used by the SAA and the BMRA. A detailed impact assessment of the changes required to these BSC Systems is contained within Annex 2.

It should be noted, however, that some of the assumptions made by the BSC Agent in compiling their impact assessment would, if P103 were to be approved, be the subject of further challenge by ELEXON.

## 8 IMPACT ON ELEXON

It is expected that ELEXON would incur effort in the region of **307 man days** for the implementation and development of the Proposed Modification P103, and will require an additional 18 weeks over and above that required by the BSC Agent, four at the beginning to develop a detailed requirements specification and fourteen following the BSC Agent development participant testing and regression testing.

Other than the impact from the development and implementation of Proposed Modification P103, the operational impact is expected to be low, and can be subsumed into the current operational framework.

## 9 IMPACT ON PARTIES AND PARTY AGENTS

### 9.1 Parties

6 responses were received to the request for Detailed Level Impact Assessment.

All responses required a

Organisation	Comments
<b>Rachael Gardener</b> Aquila Networks	No comment
<b>Dave Morton</b> SEEBOARD	We do not feel that this modification should be implemented. However, if it is taken forward a solution must be provided to ensure that those parties that do not want this information will not be impacted by its implementation. Given that we do not need this we would expect this to be implemented without any impact or cost to ourselves.
<b>Edward Coleman</b> TXU	What impact, if any, would P103 have on your organisation? <b>No impact</b>

	<p>What implementation timescale would be required by your organisation in order to make the changes associated with P103? <b>N/A</b></p> <p>Comments: <b>N/A</b></p>
<p><b>Clare Talbot</b> NGC</p>	<p>What impact, if any, would P103 have on your organisation?</p> <p><b>We note that the solution outlined in the requirements specification for this modification requires changes to the SAA I0142 flow. This flow is utilised by a number of NGC's business critical applications and therefore any changes to the flow would have a significant impact on our systems and processes.</b></p> <p>What implementation timescale would be required by your organisation in order to make the changes associated with P103?</p> <p><b>We would require 3 – 6 months from decision to implement the necessary changes to our systems and processes depending upon other commitments. As with previous changes to the SAA I0142 flow we would support a phased change over period from the existing to any new version of the flow.</b></p> <p>Comments:</p>
<p><b>Man Kwong Liu</b> Scottish Power</p>	<p>What impact, if any, would P103 have on your organisation? <b>Yes, if the changes to the Settlement Report is accepted, as suggested in Section 2.5 of Requirement Spec.</b></p> <p>What implementation timescale would be required by your organisation in order to make the changes associated with P103? <b>In the above case, at least 3 months notice would be required.</b></p> <p>Comments: <b>We do not support P103. Please also see our Assessment comments on P103.</b></p>
<p><b>Ros Parsons</b> Npower Ltd, Npower Direct Ltd, Npower Yorkshire Ltd, Npower Yorkshire Supply Ltd</p>	<p>What impact, if any, would P103 have on your organisation?</p> <p><b>No impact. As a party who has already invested in a system to receive the BMRA data and a Data Warehouse to process the SAA-I0142 flows we would not be interested in amending the BMRS to become essentially a data warehouse.</b></p> <p>What implementation timescale would be required by your organisation in order to make the changes associated with P103?</p> <p><b>Not applicable as we do not support the proposed changes.</b></p> <p>Comments:</p> <p>As a BSC party we would not benefit from this Modification Proposal as has been suggested in the Requirements Specification and therefore would against paying towards the proposed changes.</p> <p>Given that the Modification P103 was raised in relation to BMRS, any data changes to the SAA-I0142 are outside the scope of the modification and would be subject to a separate modification/change proposal.</p>

## 10 LEGAL TEXT

The SSMG concluded that it was not appropriate to develop legal text for P103 and therefore the Panel is asked to consult with the Authority as to whether legal text is required to be prepared for this

Modification Proposal. The Assessment Report the relevant requirements to enable legal text to be drafted if required.

## 11 SUMMARY OF REPRESENTATIONS

The consultation in respect of P103 sought respondent's views in respect to a number of specific issues identified by the SSMG. The specific questions are detailed below together with a summary of the responses and where appropriate the SSMG comment on the responses.

It should be noted that the consultation ran in parallel with the request for a Detailed Level Impact Assessment from Parties and BSC Agents and therefore at the time of responding to the consultation respondents would have been unaware of the potential costs of developing the changes to BSC Systems. The views of the respondents would therefore have been given on the principles associated with P103 rather than the costs identified in Section 7 of this report.

The consultation sought views on 12 issues associated with P103:

- 1) Facilitation of the achievement of the Applicable BSC Objectives;
- 2) Implementation Approach to requirement to update BMRS in line with Settlement Runs;
- 3) The take up of the facilities introduced by P103;
- 4) The cost recovery mechanism for P103;
- 5) A degree of cost benefit analysis attempting to identify how support for P103 might change depending on the level of any centrally funded development costs;
- 6) The individual data items to be updated in line with the Settlement Runs;
- 7) A suitable data retention period;
- 8) A suitable period for retention of archived data;
- 9) Whether a separate data repository would be required to prevent a degradation of service on the BMRS;
- 10) Whether there existed service providers willing to provide BSC Parties with services similar to those outlined in P103 on a commercial basis;
- 11) Views on the appropriateness of making public data that is currently confidential to BSC parties; and
- 12) Whether the respondents had any other views in relation to P103 that they would like the SSMG to consider.

A total of **14** responses (**54** Parties and **5** non-Parties) were received to the consultation on P103, the majority supporting the view that P103 did not better facilitate the achievement of the Applicable BSC Objectives.

### 11.1 Question 1: Applicable BSC Objectives

**Do you believe that the following features, as described within Modification Proposal P103 and the accompanying Requirements Specification, would better facilitate the achievement of the Applicable BSC Objectives?**

Respondents were asked to answer this question in relation to each of the requirements (numbered 1 – 4 within the P103 Requirements Specification) together with a view on the overall package of requirements.

<b>Supported P103</b>	<b>Against P103</b>	<b>No Comment</b>
<b>4</b> Respondent ( <b>2</b> Parties, <b>5</b> non-Parties)	<b>9</b> respondents ( <b>51</b> Parties)	<b>1</b> Respondent ( <b>1</b> Party)

The arguments expressed in *support* of P103 were:

- The current arrangements provided “unusable information” which is a barrier to small players and potential new entrants. This respondent implied that the information could not be used commercially.
- Any change that adds to the transparency of arrangements can increase competition and the existing complexity and inaccessibility of the BMRS prevents Parties and non Parties from accessing data.
- The lack of availability of information in the format proposed by P103 placed smaller suppliers and Licensed Exempt Generators at a disadvantage relative to larger BSC Parties. This respondent further stated that implementation of P103 would promote effective competition in the generation of supply of electricity thereby meeting objective (c) of the Applicable BSC Objectives.
- The data displayed on the BMRS is misleading and gets out of date.
- The final argument expressed in relation to this question by **1** respondent who stated that Licensed Exempt Generators were placed at an undue disadvantage relative to BSC Parties and that implementation of P103 would better facilitate the achievement of the relevant BSC Objectives.

The main arguments expressed *against* P103 supporting the facilitation of the achievement of the Applicable BSC Objectives were:

- Strong support was expressed for the arguments that Parties are free to develop their own “in-house” capability or procure such services on a commercial basis. They argued that it was inefficient to develop such services centrally as these have already been developed where necessary on an individual basis. The respondents therefore felt that P103 did not better facilitate the achievement of Applicable BSC Objective (c) or (d).
- The data required by the Proposer of P103 is made available to BSC Parties either their own Settlement Reports or via the provision of the SO142 from the SAA. Updated Energy Imbalance Prices are also made available via the ELEXON web site.
- The service will not be used by a number of respondents.
- The provision of the data can be made using the BMRS High Grade Service for a monthly fee.
- The BMRS is not the appropriate place to display data used in Settlement.

- The BMRS is not designed to be a data warehouse and should not be amended to become one. Parties are able to store the data that they require to be retained.

1 respondent, who did not support the Proposed Modification, accepted that there may be a need to review the facilities provided by the BMRA.

The SSMG considered each of the arguments expressed at their meetings on 10 December 2002 and 7 January 2003 as well as by e-mail during the drafting of this P103 Assessment Report. An explanation of their views and rationale for their decision can be found in section 5.

## 11.2 Question 2 Approach to Implementation of Requirement 1

Two approaches were identified within the P103 Requirements Specification "Approach 1": the update of data on the BMRS in line with Settlement Runs; and "Approach 2": the addition of data to the BMRS to display data items as calculated at each Reconciliation Run.

**Which approach (Approach 1 or 2) identified to address Requirement 1 in the attached Requirement Specification, do you believe would better facilitate the achievement of the Applicable BSC Objectives?**

Summary responses are shown below:

Approach 1	Approach 2	Neither	No Comment
6 Respondent (27 Parties, 5 non-Parties)	0	4 Respondents (22 Parties)	1 Respondent (1 Party)

The arguments expressed in favour of Approach 1 were:

- This approach was more efficient.
- The availability of data from earlier Settlement Runs may cause confusion
- The availability of data from earlier Settlement Runs would add to costs of provision of the service.

Those respondents that indicated that neither approach 1 or 2 should be used to satisfy Requirement 1, they stated this because they did not believe that P103 better facilitated the achievement of the Applicable BSC Objectives.

## 11.3 Question 3 - Take up of P103

**Do you believe that if the enhancements to the BMRS as specified in the attached Requirements Specification were to be implemented your organisation would make use of them?**

As with question 1, respondents were asked to answer this question in respect of each of the Requirements identified within the P103 Requirements Specification and the overall package of requirements. The table below summarises the responses provided for the overall package of requirements.

Would use P103	Would not use P103	No Comment/Did not answer specific question
3 Respondents <sup>9</sup> (2 Parties, 4 non-Parties)	7 Respondents (44 Parties)	3 Respondents (8 Parties)

In summary, the majority of respondents to the consultation indicated that they would not make use of the facilities offered by the implementation of P103. Moreover no Parties, other than the two Parties represented by the Proposer of P103, expressed an intention to use such facilities.

The arguments expressed by those that indicated they *would make use* of P103 were:

- Greater participation within the trading arrangements would take place thereby facilitating greater competition in the generation and supply of electricity.
- The respondent would be in a more advantageous position when negotiating with Suppliers.
- The respondent indicated that they would be in a better position to respond to imbalance prices.

The arguments expressed by those that indicated they would *not make use* of P103 were that:

- Parties had already constructed their own “data warehouse” and analytical toolset using data already provided by the SO142 data flow.
- The introduction of this Modification Proposal would be a cross subsidy by those Parties who have already funded development of such systems to those that have not.
- Such information as that provided by P103 is already available to anyone who chooses to use the BMRS High Grade Service.
- BSC Parties should be responsible for their own analytical tools.

#### 11.4 Question 4 - Cost Recovery mechanism

**Do you believe the development cost for P103 should be spread across all BSC Parties? If you believe there are elements (Requirements 1 – 4) that should be charged for separately please specify this in your answer.**

Costs should be spread across BSC Parties	Costs should <u>not</u> be spread across BSC Parties	No Comment/Did not answer specific question
4 Respondents (2 Parties, 5 non-Parties)	8 Respondents (48 Parties)	2 Respondents (4 Parties)

<sup>9</sup> One further respondent, the Renewable Power Association (RPA), indicated that some RPA members would use the facilities.

The majority of respondents felt that development costs for P103 should **not** be spread across all BSC Parties and that instead the costs associated with the development of P103 should be paid by those organisations that used the facilities.

The arguments expressed ***in favour*** of spreading the development costs across all BSC Parties were:

- P103 is addressing a defect in the trading arrangements.
- It is not appropriate for small Suppliers and Licensed Exempt Generators to bear the costs of any Modification Proposal that addresses inequalities, inefficiencies or omissions in the original development of the BSC.
- Apportioning costs in a manner other than to spread it across all BSC Parties could act as a barrier to entry.
- P103 is removing a discriminatory barrier to smaller BSC Parties.

The arguments expressed ***against*** spreading the development costs across all BSC Parties were:

- Parties were encouraged, at the commencement of NETA, to develop their own capabilities to analyse the flows of data made available to them.
- Costs should be spread across those organisations that make use of the facilities.
- The introduction of P103 would provide little benefit to those Parties that had invested in the development of systems to provide the functionality suggested by P103. If it had been highlighted that the facilities provided by the BMRA might change then this may have influenced any investment decisions made by those Parties.
- It was felt by one respondent that there would be no benefit to Parties by the introduction of this Modification Proposal.

## 11.5 Question 5 - Development Costs

**In order to inform the discussions of the SSMG, how much value would you put on having these requirements implemented and hence would be prepared to fund as a central cost. (A Detailed Level Impact Assessment (DLIA) by the BSC Agent is being undertaken in parallel with this consultation) – The results of the DLIA will be considered along with the answers to this consultation at the same meeting of the SSMG.**

Respondents were requested to identify the level of development costs they would be prepared to fund centrally before the cost outweighed the benefit. The costs in the questions ranged from “£0 – I do not support this Modification Proposal” to “I support this modification proposal if central costs exceed £2.5M”

In summary **8** respondents (**49** Parties and **2** Non Parties) answered this question.

**1** respondent, the Proposer of P103 (**2** Parties and **2** Non Parties), favoured the development of P103 even if central development costs exceeded £2.5M. This respondent indicated that he did not believe this question to be a valid one. One further respondent (a

non Party) indicated that the cost was irrelevant and further stated that “any attempt to maintain the barriers to entry which are represented by the poor state of the BMRS functionality should be questioned as anti-competitive”.

The remaining 7 respondents (47 Parties), who answered this question, stated that there should be no centrally funded development.

### 11.6 Question 6 - Data Items to be updated in line with Settlement Runs.

**Do you believe the list of items to be updated in line with Settlement and Reconciliation Runs as outlined within section 2.2.2 of the P103 Requirements Specification is appropriate. If you have any other data items you believe should be considered please identify these in your response.**

The respondents were being asked to confirm the view of the SSMG relating to the list of data items that should be updated following Settlement Runs should the Authority approve P103.

- The list of data items concerned were that shown in Table 1.

This question was answered by 6 respondents. 3 respondents (2 Parties and 4 Non Parties) indicated unqualified support for this list of data items, a further 2 respondents (12 Parties) indicated that this list was appropriate if P102 were to be implemented however these respondents did not support the implementation of P103.

1 of the above respondents (1 non Party) suggested that the SO142 file be made available to any person (including non Parties) on request.

1 Respondent indicated that this list of data items was not appropriate as they did not support the Proposed Modification.

The remaining respondents to the consultation did not answer this question or provided a “No Comment” or “Not Applicable” response

### 11.7 Question 7 - Data Retention

**Depending on the cost of providing the service, the SSMG will come to a view on the appropriate duration for data to be retained and available on the BMRS prior to its archiving. What do you believe is an appropriate data retention period for data to be retained on the BMRS, please specify this in months (Please note that there is an interaction between P103 and P107 in respect of data retention)?**

Suggested data retention periods by respondents were:

Months	Number of respondents supporting this view
12	3
36	2
48	1
60	1

A number of respondents indicated a preference to be consistent with whatever approach was adopted by P107 that is seeking to agree the appropriate data retention periods for data held by BSC Agents.

### 11.8 Question 8 - Data Archiving

**Depending on the cost of providing the service, the SSMG will come to a view on the appropriate duration for data to be retained once it has been archived and hence available for subsequent retrieval on request. How many years do you believe this data should be retained once it has been archived?** (Please note that there is an interaction between P103 and P107 in respect of data retention).

Months	Number of respondents supporting this view
0 (i.e. no data archiving service)	3 Respondents
2-3 years	1 Respondent
4 Years 2 months	1 Respondent
5 Years	1 Respondent

### 11.9 Question 9 - Additional Data Querying Facilities

**With respect to Requirement 3, "Additional Data Querying Facilities", do you think it is appropriate to create a separate central data repository to contain the data that can be queried using such tools as Microsoft® Access® / Structured Query Language (SQL)?**

This question had been asked in order to allow the SSMG to decide on an appropriate solution for the development of these facilities.

5 respondents (13 Parties and 4 Non Parties) agreed that a separate central data repository was appropriate.

4 respondents (27 Parties) did not agree that a separate data repository was required.

The remaining respondents provided a "No comment" or "Not Applicable" response to this question.

### 11.10 Question 10 - Commercial Service Providers

**The Modification Group Terms of References included a request to determine whether the services outlined within P103 are currently provided as a commercial service. In order to address this issue, respondents are asked to identify if they are currently aware of any organisation currently providing services or tools described in P103 on a commercial basis.**

This question had been asked in order to determine whether there were organisations that would offer the services as those proposed by P103 on a commercial basis.

A number of respondents indicated there were organisations offering such services on a commercial basis.

### 11.11 Question 11 - Confidentiality of Data

**As part of the terms of reference for Modification Proposal P103, the Panel asked the group to consider how confidential data should be treated. Do you believe data such as that contained within the Settlement Report SAA–I014 variant 2, (SO142) should be made publicly available on the BMRS or do you believe this data should be kept confidential to BSC Parties.**

Views of the respondents were evenly split on this question with **5** respondents (34 Parties and 2 non Parties) indicating that the data should be made publicly available whilst **5** respondents (26 Parties) indicating that the data should remain confidential to Parties.

A summary of the views in favour of making the data publicly available were that:

- Pseudo confidentiality (i.e. making data only available to BSC Parties) is a barrier to entry and “smacks of a cartel mentality”.
- “Access to data is more restrictive than under the Pool for no good reason”. This respondent further indicated that there was no justification for keeping this data confidential to BSC Parties as every BSC Party had access to their competitor’s data.

**1** respondent (15 Parties) in favour of making the data public questioned whether the BMRS was the right vehicle for doing this.

Arguments expressed in favour of retaining the existing provisions for data confidentiality included:

- Data should be kept confidential to those that contribute to the cost of its production.
- It is possible that spurious assumptions could be made by incorrect interpretation of data that is made available to non Parties.

**1** respondent drew on the interaction between P103 and Modification Proposal P102 where the a solution currently being discussed as a potential Alternative Modification deals with making data available to non BSC Parties through a licensing agreement.

### 11.12 Question 12 - Other Considerations

**Do you have any other comments you wish to make in relation to P103?**

This question was asked to ensure that any issues not currently being considered by the SSMG in relation to P103 they were brought to the attention of the SSMG.

Views expressed in response to this question included:

- P103 is a welcome but belated move to improve market access.
- P103 is in danger of sinking under its own complexity. This respondent suggested making the SO142 available publicly as a means to resolving some of the issues identified by P103.

- P103 sought to address a defect with the late introduction of the BMRS into NETA.
- The data required by the Proposer of P103 is freely available to all BSC Parties.
- Attention was drawn by one respondent to the recent discussions of the Imbalance Settlement Group in relation to paper (ISG/20/215) whereby a similar proposal to extend the functionality of the BMRS was rejected due to the uncertain take up of the service by participants and the potentially high cost associated with its development.
- 1 respondent expressed the view that it was important to provide Licensed Exempt Generators with access to information available to BSC Parties.

## 12 SUMMARY OF TRANSMISSION COMPANY ANALYSIS

The Transmission Company (National Grid Company) confirmed that they had no further issues over and above that offered by their response to the P103 Impact Assessment and P103 Assessment Consultation.

A summary of these views is shown below.

The Transmission Company believes that none of the requirements within P103 better facilitate achievement of Applicable BSC Objective (d) and that this overrides any potential to better facilitate Applicable BSC Objective (c).

The Transmission Company has noted the change to the System Operator Variant of the Settlement Report (SO142).

The Transmission Company believes that existing data retention on the BMRS is appropriate and that P103 has an interaction with P102 with respect to the confidentiality of data.

The Transmission Company has drawn attention to the fact that the issue of extensions to the BMRS has already been considered by the Imbalance Settlement Group (ISG) and that the costs of P103 were likely to be significant and, in light of the uncertain take up, were not felt to be warranted.

## 13 PROJECT BRIEF

The detailed costs and timescales in this Report are based on the costs and timescales received from the BSC Agents, specifically the BMRA and SAA, BSCCo and Parties.

Should the Authority approve P103 a Project will be required for implementation of the changes required to:

- develop the changes to the BMRA and SAA software required to implement the Proposed Modification/Alternative Modification; and
- implement the necessary changes to the Code Subsidiary Documents and other configurable items required to implement the Proposed Modification/Alternative Modification.

The BSC Agent has provided costs and timescales for the development of the changes to the BMRA and SAA software required to implement the Proposed Modification. The BSC Agent estimates that the development would take approximately 9 months and will cost approximately **£1,947,342**.

Annual Operation and maintenance costs would be **£872,628**.

ELEXON will be responsible for managing implementation of the Proposed/Alternative Modification and will require an additional 4 weeks prior to the commencement of BSC Agent Development and 14

weeks after the completion of development to complete testing activities. ELEXON estimate a total of 307 man days is required to deliver the Project.

### ANNEX 1 – PROPOSED TEXT TO MODIFY THE BSC

No legal text has been commissioned at the request of the Settlement Standing Modification Group.

### ANNEX 2 – BSC AGENT IMPACT ASSESSMENTS

<b>NETA Change Form</b>		<b>ELEXON Reference</b>
		P103
<b>Title</b>		<b>Version No.</b>
Re-specification of Trading Data		1.0
		<b>Logica Reference</b>
		ICR451
<b>Type of Assessment</b>	<b>Date CP Received</b>	<b>Date IA Issued</b>
DLIA	21/11/02	6/12/02
<b>Brief Summary of Change</b>		
<p>This modification is to increase the level of data presented on the BMRA and to increase the length of time the data remains on the BMRA. It is also to allow users greater flexibility to query the data held on the BMRA. The modification can be split into four main areas:</p> <ul style="list-style-type: none"> <li>• Update BMRS data in line with the Settlement Timetable</li> <li>• BMRS data retention, archiving and retrieval</li> <li>• Additional BMRS data querying facilities</li> <li>• Additional BMRS data items</li> </ul>		
<b>Logica's Proposed Solution</b>		
<p>The costs have been split to show how they are attributable to the four requirements, but these are not separate prices that can be ordered individually as there are dependencies between the requirements.</p> <p>The proposed solution to each of the 4 requirements is described below. Requirement 1 has 2 approaches which are treated as mutually exclusive options.</p> <p>The solutions to all the requirements are based on the database being upgraded to Oracle 9i with partitioning. This is because it has features which will make it much easier to ensure the performance does not deteriorate when extra volumes of data are added. This will involve the following development work:</p> <ol style="list-style-type: none"> <li>1. Procuring an Oracle 9i partitioning licence.</li> </ol>		

2. Partitioning of the appropriate high volume table in the BMRA database.
3. Upgrade of approximately 40 BMRA modules to ensure they work with Oracle 9i.
4. Full BMRA regression testing.

The additional operate cost of the upgrade would be the cost of additional Oracle support for 9i with partitioning.

#### Requirement 1 (Approach 1)

The BMRA will be fed with data from the SAA that has been calculated as part of each settlement run. The data from the first settlement run will replace the indicative data and the data from each subsequent settlement run will replace the previous settlement run data. This is repeated until the final run (which may be a dispute run) is done. After this the data on the BMRA will never be changed. Development work involved:

1. Create new BMRA business loader to accept and store the data.

There are no additional hardware or operate costs associated with this requirement.

#### Requirement 1 (Approach 2)

The BMRA will be fed with the same data as for Approach 1, except in this case the data will be available in the BMRA in addition to the existing data. This will increase the data stored in the BMRA by up to eight times current volumes (additional 6 settlement runs plus allowance for 1 dispute run). Development work involved:

1. Create new BMRA business loader to accept and store the data.
2. Update web pages to allow selection of data by run type.
3. Procure additional disk space as there will be up to 8 times the current data. This would be required for both live and disaster recovery.
4. Procure additional backup capacity to cope with up to 8 times the current data.
5. Procure additional communications capacity as there will be up to 8 times current csv download volumes. This would be required for both live and disaster recovery.

The additional operate cost would be the rental of the upgrade comms for both live and disaster recovery.

#### Requirement 2

Although archiving and retrieval of data becomes a simpler task with Oracle 9i with partitioning, it will still have an operational cost that is expected to require a full time administrator to fulfil requests for retrieval. Spare disk space would also have to be available on the live BMRA server for the retrieved data to be put into.

The upgrade to Oracle 9i with partitioning will allow the BMRA database to be partitioned up by settlement month, which means that BMRA data can be retained online for longer periods by simply providing more disk space without any deterioration in performance. Therefore a more cost effective solution is proposed, which is not to provide an archive and retrieval service, but to add new disk space each year to increase the data retention period for all BMRA data up to a maximum period which is anticipated to be 7 years. The additional disk storage would be required for both live and disaster recovery.

This solution has no development cost over and above the Oracle upgrade. The operate cost for this solution would be the purchase of the disk storage each year to increase the data retention period.

We have based our estimates on a requirement for 320GB of additional disk space per year. This may be a pessimistic estimate for the future BMRA storage requirements and together with the expectation that the cost of disk space will drop in future years, the cost is

anticipated to be lower for each successive disk purchase. On the same basis, the cost of retaining the data for exactly 28 months would require the addition of disk space to hold 16 months (~430GB) of data.

### Requirement 3

The cost for adopting Requirement 3 without a separate data repository

To allow users to perform additional, larger scope queries on the BMRA data would need a separate dedicated system as running such queries on the live BMRA could not be done without impacting the performance of the live BMRA and is therefore not being proposed. The proposal is that a separate query facility would be created, which would require the following new hardware:

- Unix server
- Web server
- Application server
- Oracle 9i licence (with partitioning)
- Firewall
- 8Mb comms link

This additional hardware would require additional infrastructure support.

The facility would be based on a copy of the BMRA software, but the restrictions on querying by single settlement period and single BM units (for BM data, BOD data, derived data and dynamic data) would be removed. Functionality would also be added to enable queries on:

- BM bid-offer stack and aggregated information
- BM acceptance stack and aggregated information

The database would be a copy of the live BMRA database and would be kept synchronised using the same mechanism as is used for the disaster recovery site (i.e. by regular application of the redo logs). This query facility will be available on live only and disaster recovery will not be provided, so only one set of hardware is included in the costs.

As the query facility will have a copy of the live BMRA database it will also need storage added to match that added to the live BMRA under Requirement 2.

The operate cost would be:

- 1 person full time to provide infrastructure support for the new system
- Oracle support
- Rental of the comms
- Purchase disk each year to increase data retention period

Users will have the ability to produce large results sets and the performance of the query facility will be limited by the bandwidth of the comms connection (which has been costed on the basis of 8Mbit/sec) and the simultaneous usage by other users. Therefore there will be no service levels on this new facility.

### Requirement 4

There are seven extra data items to be added to the BMRA as follows:

1. Half hourly transmission loss multiplier – this is already in SAA
2. Half hourly metered quantities by BM unit – this is already in SAA
3. Net imbalance position by party account – this is already in SAA
4. Net system imbalance before NGC non balancing actions – this is already in SAA
5. Half hourly residual cashflow value – this will be calculated by SAA
6. Identifiers to accepted BM trades that are arbitrage trades – this will be calculated by SAA

7. Identifiers for each bid, offer and acceptance which has been tagged as included or excluded from the Energy Imbalance Price calculations – this will be calculated by SAA

The data items will be loaded into BMRA using the same mechanism introduced as part of Requirement 1. Additionally the following development tasks are involved:

1. Change the calculation module to calculate data items 5, 6 and 7.
2. Change web pages to display the 7 extra data items.
3. Database changes to store data items 5, 6, 7.

There are no additional hardware or operate costs associated with this requirement.

**Deviation from ELEXON’s Solution / Requirements**

Due to the relatively short time available to provide this assessment compared to the scale of the changes, there are certain aspects that have been excluded to allow effort to be focused on providing the main solution. No costs have been included for:

- Provision and maintenance of internal test and development environments.
- Upgrading the PTS to match this change.

**Operational Solution and Impact**

Oracle Upgrade

The additional operate cost of the upgrade would be the cost of additional Oracle support for 9i with partitioning.

Requirement 1 (Approach 1)

None.

Requirement 1 (Approach 2)

The additional operate cost would be the rental of the upgrade comms for both live and disaster recovery.

Requirement 2

The operate cost for this solution would be the purchase of the disk storage each year to increase the data retention period.

Requirement 3

The operate cost would be:

- 1 person full time to provide infrastructure support for the new system
- Oracle support
- Rental of the comms
- Purchase disk each year to increase data retention period

Requirement 4

None.

**Testing Strategy**

Unit	✓	Change Specific	✓	End to End	
Module	✓	Operational Acceptance		Participant Testing	
System	✓	Performance		Parallel Running	
Regression	✓	Volume		Deployment/ Backout	

Other:

<ul style="list-style-type: none"> <li>• Regression testing will involve RT-01 to RT-12, R2T-17, R2T-27 and R2T-28.</li> <li>• A new change-specific test will be developed to run settlement reports on SAA and observe the publishing of appropriate data on the BMRA.</li> <li>• A new change-specific test will be developed to cover the new facility for performing more complex queries on the BMRA data.</li> <li>• A new test will be developed to cover the extra data items in Requirement 4.</li> <li>• Estimates have been provided for the extra Regression testing required in future Full Releases for which Regression testing is already paid.</li> <li>• Estimates are completely independent of the parallel discussions with ELEXON regarding future increases in scope to Regression testing.</li> </ul>							
<b>Validated Assumptions</b>							
None.							
<b>Outstanding Issues</b>							
<p>The following assumptions have been made:</p> <ul style="list-style-type: none"> <li>• There will be no disaster recovery provision for the new Query Facility (Requirement 3).</li> <li>• New data displayed on the BMRA is publicly viewable (Requirement 4).</li> </ul> <p>It is noted that some of the extra data items in Requirement 4 may be required to be not publicly available to all users of the BMRA. This is not addressed in the Requirements Specification (Ref. P103AS) and is therefore not included in this assessment. A requirement such as this could be met by providing a secure area of the BMRA requiring username/password entry using Secure Socket Layer (SSL) technology. To give ELEXON an indication, it is expected that to add this functionality would cost in the order of £200,000.</p>							
<b>Changes to Service</b>							
<b>Services Impacted</b> <i>[Tick boxes to show impacted systems and associated documentation]</i>							
	BMRA	CDCA	CRA	ECVAA	SAA	TAA	Other
Software	✓				✓		
IDD Part 1 (Docs)							
IDD Part 1 (S'Sheet)							
IDD Part 2 (Docs)							
IDD Part 2 (S'Sheet)							
URS	✓				✓		
SS	✓				✓		
DS	✓				✓		
MSS							
OSM							
LWIs							
RTP	None						

Comms	Low grade comms requires upgrade.
Other	None
<b>Nature of Documentation Changes</b>	
BMRA and SAA documentation changes will be required to reflect the proposed system changes.	
<b>Nature / Size of System Changes</b>	
Large	
<b>Type of Release Costed:</b>	Standalone patch
<b>Deployment Issues, eg Outage Requirements:</b>	Outage required
<b>Impact on Service Levels:</b>	None
<b>Impact on System Performance:</b>	None
<b>Responsibilities of ELEXON</b>	
<ul style="list-style-type: none"> <li>For all DCRs which are subject to review, Logica shall provide one draft issue and a maximum of 5 working days has been allowed for ELEXON to review and comment on the updates. Comments will be addressed and the final issue will be provided. A maximum of 2 working days has been allowed for review confirmation and signoff by ELEXON.</li> <li>Within reasonable levels, ELEXON will make available appropriate staff to assist Logica during the development of this change.</li> </ul>	
<b>Acceptance Criteria</b>	
Acceptance criteria will be met through Change Specific testing.	
<b>Any Other Information</b>	
None	
<b>Attachments</b>	
P103 Approach 1 Price Presentation Approach 2 Price Presentation	
<b>PRICING</b>	
<b>Price Breakdown</b>	

<b>Item description</b>	<b>Remarks</b>	<b>Price (ex VAT)</b>
Change Specific Cost	Oracle Upgrade	£370,922
	Requirement 1 Approach 1	£122,762
	Requirement 1 Approach 2	£499,726
	Requirement 2	£0
	Requirement 3	£644,787
	Requirement 4	£212,065
Project Overhead	If Approach 1 used	£515,005
	If Approach 2 used	£575,405
<b>Total Price</b>		If Approach 1 used: £1,947,342 If Approach 2 used: £2,391,954
<b>Project Duration</b>		If Approach 1 used: 31 weeks If Approach 2 used: 35 weeks
<b>Operational Price (per annum)</b>		Oracle Upgrade: £22,000 Requirement 1 Approach 1: £0 Requirement 1 Approach 2: £412,000 Requirement 2: £132,000 per annum Requirement 3: £446,250 Requirement 4: £0
<b>Rationale</b>		
See attached price presentations <b>(Not included as part of Assessment Report)</b> Requirement 2 – the cost of increasing the data retention period to 28 months (i.e. an additional 16 months) would be £176,000.		
<b>Annual Maintenance Price</b>		If Approach 1 used: £272,628 If Approach 2 used: £334,874
<b>Rationale</b>		
The Annual Maintenance Price is derived as 14% of the Total Price.		
<b>Validity Constraints</b>		

- Price excludes provision for indexation of daily rates from 1st April 2003.
- Price and duration assume that this change is developed in isolation and the effects of other changes are excluded.
- No allowance is included in the price for Service Descriptions being different from the CP.
- Price is for creating DCRs, not a formal documentation issue.
- No allowance has been included for supporting PwC activities.
- The costs have been split to show how they are attributable to the four requirements, but these are not separate prices that can be ordered individually as there are dependencies between the requirements.

The validity period for this quote is 30 days and the offer is based on the following payment milestones for which Logica will invoice:-

- 100% of materials charges on receipt of Purchase Order or authorised start of work,
- 30% of labour and expenses charges on receipt of Purchase Order or authorised start of work,
- 20% of labour and expenses charges at the completion of phase 1 – document updates agreed,
- 20% of labour and expenses charges at the completion of phase 2 – development complete,
- 20% of labour and expenses at the completion of phase 3 – change specific testing complete,
- 10% of labour and expenses at the completion of phase 4 – implementation on live or after 1 month of phase 3, whichever is sooner.
- Operate and maintain charges will be invoiced monthly in arrears.

### **ANNEX 3 – TERMS OF REFERENCE**

Modification Proposal P103 will be considered by the Settlement Standing Modification Group (SSMG) in accordance with the SSMG Terms of Reference.

#### Assessment Procedure

The Modification Group will carry out an Assessment Procedure in respect of Modification Proposal P103 pursuant to section F2.6 of the BSC.

The Modification Group will produce an Assessment Report for consideration at the BSC Panel Meeting on 16 January 2003.

The Modification Group shall consider and/or include in the Assessment Report as appropriate:

- How costs will recovered for the additional facilities provided and how these would be charged to non-BSC Parties;
- An assessment of the treatment of confidential data;
- How data not currently available on the BMRS might be sourced. E.g. Fuel Type;
- Whether there would be a significant take up of the service to provide the data; and

- Whether the service is currently commercially available outside the BSC.

## **ANNEX 4 – RESPONSES TO P103 CONSULTATION**

See Separate document.