

What stage is this document in the process?

01 Initial Written Assessment

02 Definition Procedure

03 Assessment Procedure

04 Report Phase

Stage 01: Initial Written Assessment

P295 'Submission and publication of Transparency regulation data via the BMRS'

The EU Transparency regulation requires primary data owners to submit information to their Transmission System Operator, or a third party acting as a data provider, for publication on a central European reporting platform. Arrangements to deliver the Transparency regulation must be implemented no later than 4 January 2015.

P295 proposes that ELEXON, through the BMRA, is made the GB data provider for all data that the GB Transmission Company (National Grid) is required to submit to the Electricity Market Fundamental Information Platform (EMFIP), with some or all of this data also being published on the BMRS.



ELEXON:

- Recommends P295 is progressed to an Assessment Procedure by a Workgroup



High Impact:

- Balancing Mechanism Reporting Agent (BMRA)
- Transmission Company



Low Impact:

- ELEXON

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About this Document

This document is an Initial Written Assessment (IWA), which ELEXON will present to the Panel on 11 July 2013. The Panel will consider the recommendations and agree how to progress P295.



Any questions?

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What is the Transparency regulation?

The regulation on submission and publication of data in electricity markets (the Transparency regulation) (Regulation (EU) No 543/2013)¹ is a legally binding EU regulation that came into force on 4 July 2013. Under this regulation, primary data owners will be required to submit a number of data items to their Transmission System Operator (TSO) (or to a third party acting as a data provider with the prior agreement of the TSO) for publication on a central information platform known as the Electricity Market Fundamental Information Platform (EMFIP). This platform will be operated by the European Network of Transmission System Operators for Electricity (ENTSO-E).

The Transparency regulation places obligations on TSOs, Distribution System Operators (DSOs), generators and large consumers to submit information for publication on the EMFIP. These participants will be required to submit additional data to that which is already submitted under the various GB industry requirements, the data that will be required under the regulation on wholesale energy markets integrity and transparency (REMIT) (Regulation (EU) No 1227/2011)² and the European Network Codes that are being developed under Article 6 of the regulation on conditions for access to the network for cross-border exchanges in electricity (Regulation (EC) No 714/2009)³. Under Article 5 of the Transparency regulation, ENTSO-E is currently developing a Manual of Procedures to set out the details and formats for the submission of data to the EMFIP, including standard submission methods and technical details that data providers must meet.

The Transparency regulation was published in the Official Journal of the European Union on 14 June 2013, and came into force on 4 July 2013, 20 days after publication. There is an 18 month implementation period commencing from this date to implement the arrangements that will deliver the Transparency regulation. This means that the arrangements delivering the Transparency regulation must be implemented no later than 4 January 2015.

What is the BMRS?

The Balancing Mechanism Reporting Service (BMRS) is a service for publishing and reporting data relating to the Balancing Mechanism, Settlement and the market in general. This includes data provided by the Transmission Company relating to balancing actions and indicative data relating to Balancing and Settlement, including indicative data for each Settlement Period shortly after its completion. All of the data published on the BMRS is indicative data, calculated from the information available at the time, and is not used within Settlement, but its publication helps to facilitate the operation of the GB electricity market. Market participants can choose to receive the information via a 'high-grade' service, where the information is sent to them directly via a TIBCO feed, or they can use the 'low-grade' service, the BMRS website⁴. The low-grade service is freely available to anyone.

In a similar fashion to the data currently published on the BMRS, the information required under the Transparency regulation would not be used in Settlement. However, it may be beneficial to market participants if this additional information was made available alongside

What is the issue?

The EU Transparency regulation requires primary data owners to submit information to their Transmission System Operator, or a third party acting as a data provider, for publication on a central European reporting platform. Arrangements to deliver the Transparency regulation must be implemented no later than 4 January 2015.

¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:163:0001:0012:EN:PDF>

² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:326:0001:0016:EN:PDF>

³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0015:0035:EN:PDF>

⁴ <http://www.bmreports.com/>

the existing data published on the BMRS, allowing all of this information to be available from a single source.

What discussions have already taken place?

Issue 47

[Issue 47 'GB Implementation of the European Transparency Regulation'](#) was raised by National Grid in April 2013 in order to facilitate discussions on how the requirements of the Transparency regulation could be implemented within GB. The Issue 47 Group examined what data would be required to be reported under the Transparency regulation, how this data should be reported and what changes would be required to implement the relevant solution.

The Issue 47 Group came up with four potential solutions to the issue:

- 1) The Transmission Company would submit the data straight to the EMFIP. There are two sub-options to this solution relating to BMRS reporting:
 - a) No changes to BMRS reporting (which would result in no BSC impact); or
 - b) The BMRA would 'scrape' the additional data from the EMFIP and publish it on the BMRS.
- 2) The Transmission Company would submit the data to the BMRA, who would submit the data to the EMFIP and publish it on the BMRS. Interconnector data would be 'scraped' from the EMFIP and reported on the BMRS.
- 3) The Transmission Company would submit the data to the BMRA, who would submit the data to the EMFIP and publish it on the BMRS. In addition, Interconnectors would submit their data to the BMRA, who would publish this on the BMRS.
- 4) The Transmission Company would submit the data to the BMRA, who would submit the data to the EMFIP and publish it on the BMRS. In addition, the Interconnector Platform would submit Interconnector data to the BMRA, who would publish this on the BMRS.

Further detail on each solution is available within the Issue 47 Group's Issue Report. The Issue 47 Group were unable to come to a conclusion as to which solution should be progressed, and recommended that all of these options should be considered as part of any Modification that was raised to progress and implement the Transparency regulation arrangements.

P295 proposes to progress Solution 2 without the Interconnector data reporting element. However, the P295 Workgroup should consider all of the options put forward under Issue 47 as part of its consideration of P295.

Overlap with P291

[P291 'REMIT Inside Information Reporting Platform for GB Electricity'](#) was raised by SSE Energy Supply Ltd in January 2013. P291 seeks to implement a central reporting platform on the BMRS for the GB electricity market to report the information required under REMIT. During its discussions, the P291 Workgroup noted that much of the data required under the REMIT regulation in relation to outages would also be required under the Transparency regulation.

Although P291 was raised in response to the REMIT regulation, the P291 Workgroup developed the proposed solution to also cater for the requirements of the Transparency regulation. This should mean that only minor changes would be required to the P291 solution in order to adapt it for reporting the relevant information to the EMFIP under P295. It should be noted that the P291 solution was made optional for BSC Parties, as there is no requirement under the REMIT regulation to use a central reporting platform, only a preference; P295 may need to amend this solution to make it mandatory.

What is the issue?

The Transmission Company and Interconnector TSOs are required to ensure that the data specified in the Transparency regulation is published on the EMFIP. The Proposer considers that it would be prudent to make ELEXON the data provider for this data under Article 4(2) of the Transparency regulation, as this would have a number of benefits. However, there is currently no mechanism under the BSC that would allow ELEXON to assume this role of GB data provider.

The Proposer notes that some of the data required under the Transparency regulation is already submitted to ELEXON. Using ELEXON as the data provider would negate the need for creating a second data channel between the Transmission Company and the EMFIP for the same data. In addition, much of the data that the Transmission Company currently submits to ELEXON is published on the BMRS, so the additional data required under the Transparency regulation would be incremental to this, and would allow this data to be displayed in a format that is already accessible to BSC Parties. The Proposer also notes the synergies between the data required under the REMIT regulation and the Transparency regulation highlighted above.

The Proposer also notes that the BMRS has grown and evolved as a data publication platform to provide GB market participants with equal access to data, even when this data is not used within Settlement. In addition, making ELEXON the GB data provider would allow the data submitted via ELEXON under the Transparency regulation to fall under BSC governance, allowing BSC Parties to determine how much of this data should be published on the BMRS and the requirements for this.

Proposed solution

P295 proposes to amend the BSC so that ELEXON is made the GB data provider for all information that the Transmission Company is required to submit to the EMFIP under the Transparency regulation. Under the proposed solution, the Transmission Company would submit the required data to the Balancing Mechanism Reporting Agent (BMRA). The BMRA would then submit the data to the EMFIP for publication. The BMRA would also publish some or all of this information on the BMRS; which data items should be published on the BMRS will be clarified as part of the assessment of P295.

Some of the information currently submitted by the Transmission Company to the BMRA for BSC purposes would be required to be submitted on the EMFIP. For these data items, the BMRA would forward the information on to the EMFIP, and would continue to publish the information on the BMRS as it currently does. This Modification would also add 'new' data items not currently submitted to the BMRA; it is these data items that the Workgroup should consider whether to include on the BMRS.

None of the 'new' data items submitted by the Transmission Company to the BMRA for the purposes of reporting to EMFIP under the Transparency regulation would be used in Settlement. These data items would be received solely for subsequent submission to the EMFIP and for possible publication on the BMRS.

Applicable BSC Objectives

The Proposer believes that P295 would better facilitate the achievement of:

- **Applicable BSC Objective (c)** as the publication of the data on the BMRS would allow this information to be more easily accessible to BSC Parties, better facilitating competition. This would be beneficial to all Parties, but may be of more benefit to smaller participants. Publication on the BMRS would also allow changes to how the information is presented on the BMRS to be made more easily in the future, as the data would fall under BSC governance; and
- **Applicable BSC Objective (e)** as the Transparency regulation is legally binding. The submission of the data by the Transmission Company to the BMRA would be incremental to the existing data currently required under the BSC. Submission via this route would also be more efficient than creating a new and separate data link for the Transmission Company to submit the same information directly to the EMFIP.

Implementation approach

On 14 June 2013, the Transparency regulation was published in the Official Journal of the European Union. The regulation came into force 20 days after publication on 4 July 2013, with an 18 month implementation period commencing from this date. This means that the arrangements delivering the Transparency regulation must be implemented no later than 4 January 2015.



What is the solution?

P295 proposes that ELEXON is made the GB data provider for all data that the Transmission Company is required to submit to the central platform, with some or all of this data also being published on the BMRS.



What are the Applicable BSC Objectives?

(a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence

(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System

(c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity

(d) Promoting efficiency in the implementation of the balancing and settlement arrangements

(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]

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It is recommended that P295 is targeted for implementation alongside P291⁵ as the two Modifications will impact similar systems. This will allow for cost-savings to be achieved through parallel implementation; these will be identified during assessment. Although P291 will implement changes relating to REMIT, there is a significant amount of overlap between the information related to outages that is required under the REMIT regulation and that required under the Transparency regulation. Therefore, P295 will be targeted for implementation on 31 December 2014.

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⁵ If approved, P291 will be implemented on 31 December 2014.

3 Things to Consider

In this section we highlight areas which we believe the Panel should consider when making its decision on how to progress this Modification Proposal, and which a Workgroup should consider as part of its assessment of P295. We recommend that the areas below form the basis of a Workgroup's Terms of Reference, supplemented with any further areas specified by the Panel.

What information is required under the Transparency regulation?

Articles 6 to 17 of the Transparency regulation contain the data that primary owners of data are required to submit to the EMFIP. The Issue 47 Group has considered these requirements, and has performed a gap analysis examining which of these items are already reported and which would need to be added as part of P295.

The Workgroup should consider the information that is required to be published on the EMFIP under the Transparency regulation. It should agree what data items will need to be provided to the BMRA by the Transmission Company and what data items will need to be submitted by the BMRA to the EMFIP to comply with the Transparency regulation.

What information should be published on BMRS?

The Issue 47 Group considered that a Modification Workgroup should look at the extent to which industry participants would want this data to be reported on the BMRS (for example, all of the data, a sub-set of the data or none of the data), and should seek industry views on this area. The Issue 47 Group also felt that the Modification Workgroup should consider the requirements around BMRS reporting of this data to ensure it would be of the most use to participants, such as consistency with how the data would be reported on the EMFIP or with existing BMRS reporting requirements.

The Issue 47 Group also noted that the Transparency regulation will introduce requirements to report data that is similar, but not exactly equivalent, to data items that are already reported on the BMRS. It considered whether, in such circumstances, the existing data items should be removed to avoid duplication with the data items required under the Transparency regulation, in order to make reporting clearer for participants. However, it noted that this should not be done as part of any Modification that sought to deliver the Transparency regulation arrangements, as such streamlining would not be necessary to implement the arrangements, and could risk extending the timescales for this Modification unnecessarily. Instead, any potential streamlining of BMRS reporting should be looked at under a separate Modification.

The Proposer has noted in their proposal that the P295 Workgroup should clarify which of the data items that will be submitted to the BMRA under P295 should be published on the BMRS.

Therefore, the Workgroup should consider whether any of the data items that would be submitted to the BMRA for submission to the EMFIP as part of the Transparency regulation should also be published on the BMRS. However, it should not consider any streamlining of existing data items as part of this.

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Are there any alternative solutions?

The Issue 47 Group considered several potential solutions for implementing the Transparency regulation requirements, and a summary of these can be found in Section 1 of this document. As part of its conclusions, the Issue 47 Group recommended that a Modification Workgroup should consider all of the solution options that had been put forward as part of its consideration of the Modification.

Therefore, the Workgroup should look at the other solutions put forward by the Issue 47 Group and consider whether any of them have merit and could form potential alternative solutions to P295.

What are the obligations on submitting the information?

Article 4(1) of the Transparency regulation states that "TSOs, and where relevant data providers, shall process the data they received and provide them to the ENTSO for Electricity in due time for publication". Although the obligation to publish the required data on the EMFIP within the required timescales will fall on ENTSO-E, the BMRA would be responsible for sending the required data it receives from the Transmission Company to ENTSO-E in time for it to comply with these timescales. Responsibility would also fall on the Transmission Company to provide the data to the BMRA in good time for it to then be forwarded on.

Article 4(1) also states that the primary owners of data "shall ensure that the data they provide to TSOs, or where provided for in accordance with paragraph 2 to data providers, are complete, of the required quality and provided in a manner that allows TSOs or data providers to process and deliver the data to the ENTSO for Electricity". Therefore, the BMRA would not be liable for the content or the quality of the Transparency data it receives from the Transmission Company.

It should be noted that Article 18 of the Transparency regulation states that "the liability of the primary owner of the data, the data provider and the ENTSO for Electricity under this Regulation shall be limited to cases of gross negligence and/or wilful misconduct".

The Workgroup should therefore consider the obligations that should be placed on the BMRA and the Transmission Company. It should also consider any potential liability issues, such as unavailability of the BMRA systems or the BMRA otherwise being unable to forward the data to the EMFIP within the required timescales.

What changes are required to support the proposed solution?

P295 is expected to impact the BSC, BMRA systems and documentation and the BMRS website. It is also expected to impact the Transmission Company, who will be obligated to provide the data required under the Transparency regulation to the BMRA. The specific changes required, along with the associated costs and lead time, will be identified through an impact assessment. P295 is not expected to impact BSC Parties or Party Agents.

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What are the benefits against the Applicable BSC Objectives?

The Workgroup should consider whether P295 would better facilitate the achievement of the Applicable BSC Objectives.

The primary benefits cited by the Proposer are that P295 would better facilitate the achievement of Applicable BSC Objectives (c) and (e) by ensuring compliance with the Transparency regulation and allowing a means for this information to be more accessible to BSC Parties through the BMRS.

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Next steps

We believe that P295 should go into an Assessment Procedure so that a Workgroup can be established in order to consider the areas outlined in Section 3.

The Proposer is not requesting that P295 is progressed as a Self-Governance Modification Proposal due to the material changes to the existing arrangements, and believes that P295 has no interaction with any on-going Significant Code Reviews (SCRs); we concur with these views.

Terms of Reference

We recommend that membership of the P295 Workgroup should comprise of members of the P291 and Issue 47 Workgroups (due to their familiarity with the Transparency regulation) and the Settlement Standing Modification Group (SSMG), along with any other relevant experts and interested parties.

We recommend that the Terms of Reference for this Workgroup should focus on the following areas:

P295 Terms of Reference
What data items will the Transmission Company be required to provide? What data items will the BMRA be required to submit to the EMFIP?
What data items submitted under the Transparency regulation should be published on the BMRS?
Are there any potential alternative solutions?
What are the obligations on the BMRA and the Transmission Company in submitting the required data items? Are there any potential liability issues?
What changes are needed to BSC documents, systems and processes to support P295 and what are the related costs and lead times?
Does P295 better facilitate the Applicable BSC Objectives than the current baseline?

Timetable

We recommend that P295 undergoes a four month Assessment Procedure, with the Assessment Report being presented to the Panel at its meeting on 14 November 2013.

We believe that the Workgroup will need to undertake the activities shown in the table below, which includes a 15 Working Day impact assessment and a separate 15 Working Day industry consultation. The timetable below allows for both of these and for the Workgroup to fully consider the areas highlighted in the Terms of Reference.

The BSC allows the Panel to set an Assessment Procedure timetable which is longer than three months where the Panel believes this is justified by "the particular circumstances of the Modification Proposal (taking due account of its complexity, importance and urgency)", (Section F2.2.9), and provided the Authority does not issue a contrary direction.

What is the proposed progression?

P295 should be progressed to the Assessment Procedure for a four month assessment by a Workgroup.

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Proposed Progression Timetable for P295	
Event	Date
Present Initial Written Assessment to Panel	11 Jul 13
Workgroup Meeting	W/B 22 Jul 13
Impact Assessment	08 Aug 13 – 30 Aug 13
Workgroup Meeting	W/B 02 Sep 13
Assessment Procedure Consultation	20 Sep 13 – 11 Oct 13
Workgroup Meeting	W/B 14 Oct 13
Present Assessment Report to Panel	14 Nov 13
Report Phase Consultation	15 Nov 13 – 03 Dec 13
Present Draft Modification Report to Panel	12 Dec 13
Issue Final Modification Report to Ofgem	13 Dec 13
Anticipated latest date for Ofgem decision	22 Jan 14

Estimated progression costs

The following tables contain our estimates of the costs involved in progressing P295 through the Modification Procedures under the proposed timetable:

Estimated Progression Costs based on Proposed Progression Timetable	
Meeting costs (including Workgroup member expenses)	£1,500 (based on three meetings)
Non-ELEXON legal and expert costs	£0
ELEXON resource	40 man days, equating to approx. £10k

Estimate of Total Industry Assessment Costs based on Proposed Progression Timetable					
Workgroup support	Est #mtgs	Est #att	Est effort	Est rate	Sub-total
	3	8	1.5	£605	£21,780
Consultation response support	Est #cons	Est #resp	Est effort	Est rate	Sub-total
	3	8	2.5	£605	£36,300
Total Costs					£58,080



Industry Assessment Costs

Industry Workgroup support and consultation response costs represent an approximation of industry time and effort in attending Workgroup meetings and responding to consultations.

The calculation is based upon an estimate of how many attendees we expect to attend each meeting and how many responses we expect to receive to each consultation.

The calculations assume that each attendee will require 1.5 man days of effort per meeting and each response will take 2.5 man days of effort, multiplied by a standard rate of £605 per man day.

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5 Likely Impacts

Impact on BSC Systems and Process

BSC System/Process	Potential impact
BMRA/BMRS	The BMRA will be required to forward the data it receives from the Transmission Company to the central European platform and publish it on the BMRS.

Impact on BSC Parties and Party Agents

None anticipated.

Impact on Transmission Company

The Transmission Company will be required to provide the data required under the Transparency regulation to the BMRA.

Impact on ELEXON

Area of ELEXON	Potential impact
Release Management	ELEXON will manage the implementation project.

Impact on Code

Code Section	Potential impact
Section Q	Changes will be required to implement the solution.
Section V	
Section X Annex X-1	

Impact on Code Subsidiary Documents

CSD	Potential impact
BMRA Service Description	Changes will be required to implement the solution.

Impact on other Configurable Items

Configurable Item	Potential impact
BMRA User Requirements Specification	Changes will be required to implement the solution.

6 Recommendations



Recommended Progression

ELEXON recommends P295 is submitted to a four month Assessment Procedure.

On the basis of this Initial Written Assessment, ELEXON invites the Panel to:

- **DETERMINE** that Modification Proposal P295 progresses to the Assessment Procedure;
- **AGREE** the proposed Assessment Procedure timetable such that an Assessment Report should be completed and submitted to the Panel at its meeting on 14 November 2013;
- **DETERMINE** that the P295 Workgroup should be formed from members of the P291 and Issue 47 Workgroups and the Settlement Standing Modification Group, along with any other interested parties; and
- **AGREE** the Workgroup's Terms of Reference.

7 Further Information

More information is available in:

Attachment **A**: Modification Proposal Form

You can also find further information on the [P295](#) page of the ELEXON website.

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