

Assessment Procedure Consultation Responses



P333 'Inclusion of DSBR volumes into the cashout price in time for publication after the end of the Settlement Period'

This Assessment Procedure Consultation was issued on 29 April 2016, with responses invited by 23 May 2016.

Phase

Initial Written Assessment

Definition Procedure

Assessment Procedure

Report Phase

Implementation

Consultation Respondents

Respondent	No. of Parties/Non-Parties Represented	Role(s) Represented
ENGIE	13/0	Generator, Supplier
VPI Immingham	1/0	Generator
RWE Supply and Trading GmbH	9/2	Generator, Supplier, Interconnector User, ECVNA, MVRNA
SmartestEnergy	1/0	Supplier
E.ON	4/2	Generator, Supplier, Non Physical Trader, ECVNA, MVRNA
Draw	1/0	Generator
ScottishPower	7/2	Generator, Supplier, Non Physical Trader, ECVNA, MVRNA, Supplier Agent
EDF Energy	7/2	Generator, Supplier, ECVNA, MVRNA
National Grid Electricity Transmission plc	1/0	Transmission Company

P333
Assessment Consultation
Responses

25 May 16

Version 1.0

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Question 1: Can you quantify the costs and benefits associated with the modification?

Summary

Yes	No	Neutral/No Comment	Other
2	5	0	2

Responses

Respondent	Response	Rationale
ENGIE	Yes	<p>The modification will ensure that the DSBR scarcity signal feeds into the cashout prices in a timely fashion. This will aid trading decisions in subsequent settlement periods and also in the days after DSBR is used.</p> <p>Even though DECC has now confirmed that it will end the use of SBR and DSBR after this coming winter, ENGIE believes the modification should be implemented. DSBR must be called ahead of SBR and with Ofgem forecasting up to 14 hours loss of load for this coming winter it is likely that DSBR will be needed. It is also worth noting that the SBR change proposal has been approved despite an expectation that the SBR service would end after this winter. It would seem odd to include the use of SBR in cashout in a timely fashion and not DSBR when SBR must be used less often.</p> <p>The benefit is difficult to quantify but it should be noted that the implementation cost equates to 55MWh of imbalance at £3000/MWh. For a large BM Unit (some are 500MW or more), this is a small level of imbalance that can be easily reached. If parties can see this price signal immediately after the end of the settlement period, they may have a greater stimulus to take action to resolve future imbalances either that day or the next day than they would have if the price signal appears 5WD later.</p>
VPI Immingham	No	<p>We do not believe that we would incur any costs in the implementation of this modification, other than the time required to understand any changes. However, we are fully supportive of it and believe that, the earlier provision of more accurate cash out data would be beneficial in terms of trading decisions. With DSBR only being used on one occasion previously and prior to the introduction of the new cash out arrangements, plus with trading</p>

Respondent	Response	Rationale
		decisions being different under different circumstances and dependent on both market and plant characteristics on the day, it is virtually impossible to quantify accurately the value of this benefit.
RWE Supply and Trading GmbH	No	It is unlikely that there will be a material impact associated with the proposed change in the timing of the publication of cash out prices that include DSBR. The fact that DSBR has been instructed will have more impact than the ex post publication of prices since there will already be an expectation that cash out prices will be significantly higher than indicated.
SmartestEnergy	No	This is more of a question of risk – one that we cannot quantify but which we would like to avoid at all costs. Whilst we cannot provide numbers the potential costs could be quite high on the “explosiveness” scale.
E.ON	No	It is very difficult to provide a quantifiable assessment of the overall costs and benefits associated with the modification due to the whole market implications arising from the baseline and potential benefits under the modification. We would however agree with the principle that the provision of more accurate and timely information enables more efficient trading decisions to be taken, particularly with the features of DSBR and SBR for this coming winter and the implications the utilisation these services have for cashout prices. The manual process appears to be a low cost solution to implement, given the potentially short term requirement for it, which the improvements to market information benefits would, in our view, outweigh, notwithstanding the potential for human error risks.
Drax	No	It is difficult to put a number on the cost savings associated with P333. Without P333, the cash-out price published 15 minutes after the end of each Settlement Period (SP) will lack a fundamental price signal, which could lead to sub-optimal trading decisions and the less efficient operation of the GB Transmission System. Further, it is problematic to predict the future utilisation of DSBR and the trading behaviour of the generators running at the time.
ScottishPower	Yes/No	-

Respondent	Response	Rationale
EDF Energy	Yes/No	<p>DSBR action prices up to 15,000 £/MWh are hypothetically possible, and the difference between individual DSBR action prices could be significant, potentially measured in £thousands/MWh. For an imbalance price which is determined from a small marginal volume of a net volume of actions taken, the impact on imbalance price from even a relatively small volume of such actions could be significant.</p> <p>We have previously commented in relation to prompt reporting and inclusion of SBR actions into indicative imbalance prices that the difference between an imbalance price of 3000 £/MWh and a relatively modest price is very material for participant imbalances, and therefore for informing participant behaviours for subsequent periods. Participant behaviour affects the balancing and imbalance costs for subsequent periods. The same is true here. Even though the probability of either DSBR or SBR being used is quite low, and DSBR as currently defined might only exist for the forthcoming winter, and the probability of very expensive DSBR becoming net marginal and setting prices is even lower, there is a possibility of them being used together, compounding the uncertainty if there is no prompt reporting of prices.</p> <p>At what price should a participant try to trade or self-despatch to avoid imbalance or try to value balancing energy in subsequent periods when even the current imbalance and its imbalance price is unknown? Consider the typical and potential levels of gross and net imbalance, typically measured in hundreds of MWh/half-hour. For example 100 MWh at 3000 £/MWh has £300,000 cost/value. Information influencing just 100 MWh of volume in subsequent periods has potential to avoid up to £300,000 of expenditure by parties or NGET in the extreme situation envisaged. It is clear there is potential value in signalling accurate prices and other information to participants as soon as practicable.</p>
National Grid Electricity Transmission plc	Yes	Please see separate TCA for our costs. We can't quantify the benefits.

Question 2: Do you agree with the Workgroup that the draft legal text in Attachment A delivers the intention of P333?

Summary

Yes	No	Neutral/No Comment	Other
7	0	1	1

Responses

Respondent	Response	Rationale
ENGIE	Yes	-
VPI Immingham	Yes	-
RWE Supply and Trading GmbH	Yes	-
SmartestEnergy	No comment	-
E.ON	Yes	-
Drax	Yes	This seems sensible.
ScottishPower	Yes	-
EDF Energy	Probably	<ol style="list-style-type: none"> 1. The legal text appears to capture the requirement for NGET to send BSAD data for a DSBR action(s) to the BMRA within [10] minutes of the end of the relevant Settlement Period in which the action(s) was taken. However, it is not absolutely clear whether the taking of an action relates to the issue of an instruction by NGET (as for reporting of Bid Offer Acceptances under Q6.1.12) which could be for delivery in a future settlement period, or the actual expected delivery of an action within a particular settlement period (more like eg. Q6.1.13/Q6.1.22). 2. It is assumed but not explicit that sending of data to the BMRS within [10] minutes of the end of a relevant imbalance period will give sufficient time to ensure that the actions will be included in the indicative imbalance price calculated and reported soon after each period by BMRS according to V2.6.5. Note that V6.3.4 describes limitations in the capability of BMRS to perform actions on BSAD data. 3. We note that the current BSAD Methodology does not expect DSBR test actions to pass through to the BSC imbalance price calculation,

Respondent	Response	Rationale
		<p>and we assume this means they would not be reported or used, although in principle there is no reason they should not be used as system-flagged actions, and could be used to “exercise” the process.</p> <p>4. Q6.1.22 describes reporting of Non-BM STOR volume within BSAD data within 15 minutes of the end of a Settlement Period. This appears to be total volume, rather than disaggregated volume. Annex V-1 Table 1 indicates individual Non-BM STOR action BSAD data are expected to be reported on BMRS; the BSC appears silent on when, but reporting occurs promptly in practice. Ideally, reporting of individual DSBR actions would be expected to occur in a similar manner to Non-BM STOR actions, with inclusion in indicative imbalance price calculations soon after each half-hour. But the legal text takes a different approach for DSBR to that for Non-BM STOR.</p>
National Grid Electricity Transmission plc	Yes	The legal text appears to deliver the intention of P333. The only question appears to be around how to cater for what happens when the DSBR service is no longer required but assume that a housekeeping mod could remove this new text when appropriate.

Question 3: Will P333 impact your organisation?

Summary

Yes	No	Neutral/No Comment	Other
8	1	0	0

Responses

Respondent	Response	Rationale
ENGIE	Yes	P333 will have a positive benefit on ENGIE. It will provide timely scarcity signals to assist in making optimal trading decisions.
VPI Immingham	Yes	As set out above, the earlier provision of more accurate information regarding cash out prices when DSBR has been utilised should improve trading decisions on the actual day that scarcity is encountered, or on any subsequent days before the II run when scarcity could be encountered again.
RWE Supply and Trading GmbH	No	As noted above the fact that DSBR has been instructed will create the expectation that cash out prices will include DSBR actions and that indicative prices will be adjusted to reflect the volume of such actions.
SmartestEnergy	Yes	It will lead to a greater ability to react to market signals. 5WDs is far too long to see the effects of DSBR on market prices. Parties would clearly behave differently if they saw the effects sooner.
E.ON	Yes	The provision of more accurate and timely price information enables more efficient trading decisions to be taken.
Drax	Yes	Under the baseline the use of DSBR could create an expectation that prices will rise to £3000/MWh, but because the DSBR volume is not included in the cash-out calculation until five working days after it has been utilised, the behaviour of market participants could result in sub-optimal trading decisions being made. P333 will ensure cash-out prices deliver efficient market signals. The increased speed of delivering accurate pricing data will ensure market prices better reflect market conditions.
ScottishPower	Yes	By improving the accuracy of cash-out prices provided immediately after the end of the settlement period, P333 will reduce uncertainty and

Respondent	Response	Rationale
		better inform decision making.
EDF Energy	Yes	<p>Some changes to internal IT systems might be required to receive and analyse early reporting of any relevant DSBR instructions within BSAD data.</p> <p>We would have better data to inform more efficient trading and self-despatch for future settlement periods, including potential increased opportunity to obtain economically efficient revenue for balancing service provision.</p>
National Grid Electricity Transmission plc	Yes	<p>The implementation of proposed changes in P333 will impact the Demand Side Balancing Reserve (DSBR) system of National Grid as well as require additional resourcing.</p> <p>To implement the solution for the P333 requirement by 5 November 2016, will require following changes:</p> <p>Changes in National Grid systems</p> <ol style="list-style-type: none"> 1. DSBR system to send the data to relevant National Grid team via email, to be included in the Balancing Services Adjustment Data (BSAD) by the end of the relevant Settlement Period. Any subsequent DSBR instruction dispatched for the same Settlement Period would follow this process. 2. Information Provisioning (IP) system to send the BSAD files containing DSBR volume and costs to ELEXON before 15 minutes past the end of Settlement Period. <p>Changes in National Grid business process</p> <ol style="list-style-type: none"> 1. The relevant National Grid team to wait until the Gate Closure BSAD file for the relevant Settlement Period is dispatched by the IP system. The team would use a copy of this BSAD file and manually append the aggregate of all DSBR data for the Settlement Period. 2. The relevant National Grid team to manually update the DSBR identifier (Trade ID) in the BSAD files, before uploading it in the IP system. This will allow allocation of identifiers by the IP system to be consistent. IP system generates its own identifiers when a BSAD file is uploaded in it. Therefore, the identifiers in the Final BSAD file will be same

Respondent	Response	Rationale
		<p>as those of the Gate Closure (half-hourly) BSAD files for the respective Settlement Periods which were sent on the previous day.</p> <p>Assumptions:</p> <ol style="list-style-type: none"> 1. There are no changes expected to the existing (As-Is) process for sending the Prelim, Gate Closure (half-hourly) and Final BSAD files to ELEXON. <p>With no change in the current (As-Is) process, ELEXON will receive the Gate Closure (half-hourly) BSAD file as usual. However, since this file will be subsequently updated with DSBR data and sent again at the end of Settlement Period, ELEXON's system should be able to receive it.</p>

Question 4: Will your organisation incur any costs in implementing P333?

Summary

Yes	No	Neutral/No Comment	Other
2	7	0	0

Responses

Respondent	Response	Rationale
ENGIE	No	-
VPI Immingham	No	We do not believe that we would incur any costs other than the time requirements to understand the new process.
RWE Supply and Trading GmbH	No	-
SmartestEnergy	No	-
E.ON	No	We have not identified any at this time, though please note our response to Question 6.
Drax	No	<p>P333 modifies data between National Grid and the BMRA (i.e. internal to central systems), not BMRA flows to Parties (i.e. external data flows). The BMRA will use the data in the indicative imbalance price calculation, which will affect the published price, but there is no new data or changes to data flows that BSC Parties must accommodate. Therefore no IT system changes are required.</p> <p>If the P333 solution includes the publication of the DSBR dispatch data (see Question 7) then there would be a small cost in implementing software to capture the data in our systems.</p>
ScottishPower	No	We do not anticipate incurring any significant costs in implementing P333.
EDF Energy	Yes	Some changes to internal IT systems might be required to receive and analyse early reporting of any relevant DSBR instructions within BSAD data. It is not absolutely clear from the description of the proposed manual process solution (page 6) exactly when the revised BSAD file containing DSBR instructions would be sent to BMRS, and how it would interact with the current gate-closure BSAD information and post-period information. The cost would depend on the exact nature of reporting changes made and the notice period given, but is

Respondent	Response	Rationale
		<p>not expected to be material compared with the imbalance and balance materiality if DSBR were to be called and set prices.</p> <p>Minor changes to processes for trading, self-despatch and balancing provision would probably be made, reflecting the improved timeliness and accuracy of indicative data.</p>
National Grid Electricity Transmission plc	Yes	This is set out separately in the TCA.

Question 5: Do you agree with the Workgroup's recommended Implementation Date?

Summary

Yes	No	Neutral/No Comment	Other
8	0	0	1

Responses

Respondent	Response	Rationale
ENGIE	Yes	The modification needs to be in place for when DSBR can be used this winter.
VPI Immingham	Yes	With the DSBR window open from November to February, it is essential that this modification is in place prior to the opening of the window. Without this, cash out prices will fail to accurately capture the use of DSBR if used in this time period.
RWE Supply and Trading GmbH	Yes	The modification can only deliver benefits if implemented in time for this winter.
SmartestEnergy	Yes	-
E.ON	Yes	All benefits will be lost if it is not implemented for winter 2016-17 as the DSBR service is anticipated to be discontinued thereafter.
Drax	Yes	The implementation should be complete before winter 2016.
ScottishPower	Yes	While it would be better if P333 was implemented from 1 November 2016, we accept the rationale of coordinating its implementation with the November 2016 BSC Systems Release.
EDF Energy	Yes/No	Implementation for 1 November 2016 would be preferable, to capture potential Winter 2016-17 DSBR usage from that date and provide the potential benefits sooner. Implementation on 3 November 2016 (which we assume the report intends, not 2015) with 3 months notice should not create significant operational difficulties or costs for us.
National Grid Electricity Transmission plc	Yes	The solution for P333 can be implemented by the proposed date (3rd November 2016) subject to the Final Decision by June 2016.

Question 6: Do your internal systems require BSAD IDs to be unique and sequential?

Summary

Yes	No	Neutral/No Comment	Other
1	5	0	3

Responses

Respondent	Response	Comments
ENGIE	No	ENGIE's internal systems do not require sequential or unique BSAD IDs as our systems will overwrite settlement data from one settlement run to the next.
VPI Immingham	No	Whilst we would hope to see unique BSAD IDs, it is not a requirement of our systems.
RWE Supply and Trading GmbH	No	-
SmartestEnergy	No	-
E.ON	Yes/No	We do not require sequential BSAD ID's however our systems do require them to be numeric only and not include any text string when inserting manually adjusted DSBR actions. If text is included in the DSBR identifier this may necessitate changes to our systems to capture this.
Drax	No	Please refer to Q4 answer – this data is not published direct to BSC Parties. Were it published then I would expect that non-unique IDs would be an issue.
ScottishPower	Yes	Internal systems ensure no duplication of data by enforcing a sequential file numbering check.
EDF Energy	Yes/No	This would depend on exact details of the solution, but it seems sensible to require unique sequential identifiers for individual BSAD action item IDs if possible.
National Grid Electricity Transmission plc	Yes/No	We believe that the issue around BSAD IDs has been resolved as the Identifiers (IDs) would be generated by National Grid's Information Provisioning (IP) system, and a workaround solution has been identified to keep the IDs unique and sequential.

Question 7: Do you support the publication of the DSBR dispatch data, either as: a standalone solution if P333 is rejected; or in addition to P333?

Summary

Yes	No	Neutral/No Comment	Other
7	0	0	2

Responses

Respondent	Response	Comments
ENGIE	Yes	Whether or not P333 is implemented it would be helpful to publish the volume of DSBR available in each settlement period as this aids market transparency. If P333 is not implemented, then in addition to publishing the volume available that can be called, knowing how much was dispatched when it is dispatched and for how long it will be used would allow market participants to make their own assessment of how DSBR use will impact on cashout even if they don't know the what the cashout price that includes DSBR use will be until 5WD after the event.
VPI Immingham	Yes	With information provision and understanding of DSBR relatively vague, we support the provision of as much information as possible. This additional transparency will enable market participants to make informed decision as close to real time as possible and also help future understanding of how DSBR may be used.
RWE Supply and Trading GmbH	Yes	Greater transparency of DSBR dispatch data would provide important information regarding the state of the energy market.
SmartestEnergy	Not a Yes/No question	-
E.ON	Yes	We would welcome this improvement to market transparency. We do not think it needs to be associated with this modification and can be considered separately to P333.
Drax	Yes	We support the publication of DSBR dispatch data. The increased transparency of dispatch data will lead to better informed trading decisions by industry participants, facilitating competition. The change will better facilitate Applicable BSO Objectives (b) and

Respondent	Response	Comments
		<p>(c).</p> <p>The indicative £70k for implementing this add-on solution of publishing DSBR Standard Dispatch data will likely be offset through the savings made by industry participants.</p>
ScottishPower	Yes	Any increase in the transparency and timeliness of publication of DSBR dispatch data provides better information to the electricity market on which to base its economic decisions.
EDF Energy	Yes	<p>We assume the primary aim of P333 is for DSBR actions to be included promptly in indicative imbalance prices, but if the data items necessary to do this exist within the BMRA system it seems obvious they should be reported along with other actions within existing detailed system price reporting, otherwise existing detailed system price reporting will be incomplete and could be misleading.</p> <p>DSBR Standard Despatch information as described on page 12 of the assessment consultation would add to information available to participants to inform efficient trading, self-despatch and balancing in the immediately following gate-open periods, especially if it can be published sooner than through BSAD data on BMRS.</p> <p>If P333 is rejected, then the importance of publishing DSBR Standard Despatch information as described on page 12 of the assessment consultation is increased.</p>
National Grid Electricity Transmission plc	Yes/No	-

Question 8: Do the risks of the manual workaround outweigh the benefits of the progressing the modification?

Summary

Yes	No	Neutral/No Comment	Other
1	7	0	1

Responses

Respondent	Response	Comments
ENGIE	Yes	<p>Timely cashout signals will assist with making trading decisions. In ENGIE's view the benefit of this outweighs the risk of an error in the manual solution. The manual solution is at least an improvement on the current lack of a clearly apparent scarcity signal in the cashout prices that is published 15 minute after the end of the settlement period.</p> <p>Whilst an automated solution would be preferred, this isn't possible in the time available up to this winter.</p>
VPI Immingham	No	<p>No, we do not believe that the risks of a manual workaround outweigh the benefits of progressing the modification. There are clear benefits to market participants of having the more timely data and the risk of human error should be small compared to these qualitative benefits. We would recommend that sufficient checks are included to ensure that human error can be picked up wherever possible. This should mitigate that risk in so far as is possible.</p>
RWE Supply and Trading GmbH	No	-
SmartestEnergy	No	-
E.ON	No	<p>Although this is a process risk we think this is outweighed by the potential benefits arising from the provision of more accurate and timely information.</p>
Drax	No	<p>We understand that there is an inherent human error associated with a manual workaround. However, the benefits will outweigh the associated risks should DSBR be utilised.</p> <p>We would encourage the workgroup to discuss how manual inputting errors would be captured and corrected by National Grid, to ensure the process is clearly understood. If a manual inputting error</p>

Respondent	Response	Comments
		occurs, then it should be identified and corrected in a manner that is no worse than the current baseline.
ScottishPower	No	The risk with the manual workaround is that erroneous data enters (or data fails to enter) indicative System Prices. However, we consider the risks of Parties being exposed to unexpectedly high cash-out prices through no attempt having been made to reflect DSBR costs in indicative prices are significantly greater.
EDF Energy	No	For the implementation cost provided, we would expect NGET to deliver a reasonably robust semi-manual process, so that risks of process error do not outweigh the potential benefit.
National Grid Electricity Transmission plc	Yes/No	It is difficult to answer this question as we do not feel able to quantify the benefits of the P333.

Question 9: Do you agree with the Workgroup's initial unanimous view that P333 does better facilitate the Applicable BSC Objectives than the current baseline?

Summary

Yes	No	Neutral/No Comment	Other
7	0	1	1

Responses

Respondent	Response	Comments
ENGIE	Yes	ENGIE (as the proposer) continues to believe that P333 facilitates the applicable BSC objectives for the reasons set out in the modification proposal.
VPI Immingham	Yes	-
RWE Supply and Trading GmbH	Neutral	While it is important that cash out prices reflect the actions taken by the system operator to balance the system, the fact that DSBK has been instructed together with associated system warnings provides sufficient information about the state of the market. It is unclear therefore whether P333 would have any impact on market participant behaviour or influence participant balancing strategies.
SmartestEnergy	Yes	It must be in the interests of competition and efficiency that the market signal is released as quickly after real time as possible.
E.ON	Yes	<p>We think the modification is neutral to Objective A for the reasons given by the Proposer and Workgroup.</p> <p>We think the modification is neutral to Objective B, recognising the manual processing required by National Grid, although an automated solution would be preferable this is offset by the anticipated short term nature of information requirement.</p> <p>We agree with the views of the Proposer and the majority of the workgroup in respect of Objectives C and D.</p> <p>We agree with the views of the Proposer and workgroup with respect to Objectives E and F.</p>
Drax	Yes	<p>Drax agrees with the recommendation that the P333 proposal better facilitates the Applicable BSC Objectives.</p> <p>Cash-out prices are meant to provide short-term</p>

Respondent	Response	Comments
		<p>market signals. Under the current arrangements, the DSBR volume is not incorporated into the cash-out price calculation until WD+5, resulting in uncertainty and affecting the formation of efficient price signals in the short-term power market. P333 corrects this issue, allowing better informed trading decisions and enabling optimal operation of the GB Transmission System, thereby better facilitating ABO (b).</p> <p>In addition, P333 ensures all market participants have access to the same information with regards to DSBR utilisation and the likely impact on cash-out pricing. This will particularly assist small parties who may have fewer resources to commit to the forecasting of DSBR utilisation. This will better facilitate ABO (c).</p> <p>As the solution ensures the provision of more timely information, P333 will better facilitate ABO (d) through the reduction of the incidence of cash-out repricing.</p> <p>We note that the potential risk of human error, due to the manual solution discussed in the Assessment Procedure Consultation, may result in a detriment to ABO (b). However, we believe that steps can be taken to significantly minimise this risk resulting in P333 better facilitating the ABOs.</p>
ScottishPower	Yes	<p>We believe that P333 overall better meets the Applicable BSC Objectives. P333 would better achieve Objective (c) through provision of additional, timely market signals to all market participants it will facilitate better economic decisions and thus competition. P333 would also better facilitate Objective (d) as incorporating DSBR into indicative cash-out prices will reduce the differences between indicative and II run cash-out prices thus increasing the overall efficiency of the balancing and settlement arrangements.</p>
EDF Energy	Yes	<p>The cost for the manual workaround solution is disappointingly high. But compared with the potential materiality of balancing costs and imbalance costs, collectively and on individual participants, it seems likely that BSC Objective (b) concerning efficient system operation and Objective (c) concerning competition would be better met by improving the timeliness and accuracy of DSBR balancing reporting and imbalance price calculation and reporting, even for low probability events.</p>

Respondent	Response	Comments
		(From Section 7 of the assessment consultation, we have the impression one member of the workgroup did not support the view of the remaining majority).
National Grid Electricity Transmission plc	Yes/No	<p>As set out in the TCA, we think that the impact of P333 on the Applicable BSC Objectives is likely to be felt in areas similar to that set out in CP1460 and P335 in terms of timelier cash-out signals (building on the considerations made under P305 and P323 in terms of getting volumes and prices of relevant balancing actions appropriately reflected in cash-out at all). However, in a similar manner it is important to note that once the result of the P333 solution (i.e. DSBR volumes reflected in the Indicative Price at VoLL) becomes the expectation, there is a corresponding risk that any failure to accurately submit these volumes in the required time would be rationally interpreted as the service not having been dispatched or the volumes having been somehow tagged out during the imbalance calculation. Whilst this risk would be present under an automated solution (and, albeit less likely, may exist under the post-event solution employed today), the “human error” element of both Options 2 and 3 significantly increases this risk. Procedural mitigations could be employed but the risk should not be underestimated.</p> <p>For the avoidance of doubt, we also note that any benefits provided are incremental over and above the current DSBR cash-out solution and market signals provided by other information (e.g. NISMs).</p>

Question 10: Do you agree with the Workgroup that there are no other potential Alternative Modifications within the scope of P333 which would better facilitate the Applicable BSC Objectives?

Summary

Yes	No	Neutral/No Comment	Other
9	0	0	0

Responses

Respondent	Response	Comments
ENGIE	Yes	The modification group has developed an Alternative which would move the 'human' part of P333 from National Grid to the BSC Agent and lead to additional costs due to the need for the BSC Agent to employ an experienced and technical expert. However it would seem more pragmatic to have this manual intervention sitting inside National Grid which already has the requisite technical experience to carry out this role.
VPI Immingham	Yes	-
RWE Supply and Trading GmbH	Yes	Given the timescales for this modification there is little alternative to a manual workaround solution
SmartestEnergy	Yes	-
E.ON	Yes	We have not identified any other potential Alternative Modifications.
Drax	Yes	We cannot think of any at this time.
ScottishPower	Yes	-
EDF Energy	Yes	None at this time, given the apparent difficulty in identifying solutions achievable at reasonable cost in the timescale available.
National Grid Electricity Transmission plc	Yes	We are comfortable that, if the requirement is to be met in the desired timescales, this is the most suitable solution.

Question 11: Do you have any further comments on P333?

Summary

Yes	No	Neutral/No Comment	Other
1	7	0	1

Responses

Respondent	Response	Comments
ENGIE	No	-
VPI Immingham	No	-
RWE Supply and Trading GmbH	No	-
SmartestEnergy	No	-
E.ON	No	-
Drax	No	Not at this time.
ScottishPower	No	-
EDF Energy	Yes	<ol style="list-style-type: none"> 1. More detail of the manual solution proposed is required. The description on page 6 should be expanded in a similar manner to that for the alternative manual solution on page 12 (see comments on question 2). Would there be any issues with interaction between initial manually edited BSAD data and subsequent routine BSAD data files? 2. From step 7 on page 13, it is not clear how the alternative manual solution relates to existing processes. The issue of ID numbers should be explained. Is it that maintaining sequential action IDs is difficult with manual editing of the BSAD file? Or does it relate to the identity of individual action providers? 3. Given the short timescales available, it seems likely that adding DSBK information to BSAD data at source (NGET) by editing a csv file would be a faster approach than (BMRA) waiting for and working through individual emails and performing individual screen entry, given that many DSBK instructions may be given in a short space of time. Editing a raw file is more prone to typographical error causing processing failures, but we would expect NGET to have robust semi-manual processes to avoid this. Or perhaps BMRA

Respondent	Response	Comments
		<p>could develop semi-automated processes?</p> <p>4. We note that many other communications from NGET are expected to be made within 15 minutes, including the issue of Bid Offer Acceptances (Q6.1.12) as they are issued, rather than after their delivery by a balancing provider. Could this be achieved for DSBR data, or non-BM STOR or other BSAD data? What about SO-SO actions?</p> <p>5. It is disappointing that a cost of £164k is estimated for what appears to be essentially a manual workaround approach, potentially for use for rare occasions during a single winter period.</p> <p>6. Publication of DSBR Standard Dispatch information is desirable and would better inform market participants of the prevailing balancing and hence market conditions.</p> <p>7. We note comments that SBR and DSBR services might not exist beyond the 2016/17 winter, thus limiting the value of a DSBR-specific solution. However, the DSBR service is similar to a straightforward demand side reserve service for use in timescales less than those envisaged for capacity in the Capacity Mechanism, and approaches developed for DSBR might be adaptable for other innovative non-BM balancing services for which prompt reporting and inclusion in indicative imbalance price is desirable.</p>
National Grid Electricity Transmission plc	Yes/No	Our main comments, as set out in the TCA, are around considering the risks of human / manual processes against the benefits (see Question 9 above).