

CP Assessment Report

CP1493 'Add a form and associated process steps to BSCP15 for registering Non-Standard BM Unit configurations'

ELEXON



Committee

Imbalance Settlement Group
Supplier Volume Allocation Group

Recommendation

Approve

Implementation Date

22 February 2018
(February 2018 Release)



Contact

Claire Kerr

020 7380 4293

claire.kerr@elexon.co.uk



Contents

1	Why Change?	2
2	Solution	4
3	Impacts and Costs	5
4	Implementation Approach	6
5	Initial Committee Views	7
6	Industry Views	9
7	Recommendations	10
	Appendix 1: Glossary & References	11

About This Document

This document is the Change Proposal (CP) Assessment Report for CP1493 which ELEXON will present to the Supplier Volume Allocation Group (SVG) and Imbalance Settlement Group (ISG) at their meetings on 5 December 2017 and 11 December 2017. The SVG and ISG will consider the proposed solution and the responses received to the CP Consultation before making a decision on whether to approve CP1493.

There are three parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, and proposed implementation approach. It also summarises the SVG and ISG's initial views on the proposed changes and the views of respondents to the CP Consultation.
- Attachment A contains the proposed redlined changes to deliver the CP1493 solution.
- Attachment B contains the full responses received to the CP Consultation.

SVG202/02

CP1493
CP Assessment Report

27 November 2017

Version 1.0

Page 1 of 12

© ELEXON Limited 2017

1 Why Change?

Balancing Mechanism Units

Balancing Mechanism (BM) Units are used as units of trade within the BM to account for all energy that flows on or off the Total System (the Transmission System, each Offshore Transmission System User Asset and each Distribution System combined).

[Balancing and Settlement Code \(BSC\) Section K 'Classification and Registration of Metering Systems and BM Units'](#) 3.1.2 states that a BM Unit must satisfy the following conditions:

- (a) only one Party is responsible for the Exports and/or Imports;
- (b) the Exports and/or Imports of electricity from and to the Plant and/or Apparatus comprised in the BM Unit are capable of being controlled independently of the Exports or Imports of electricity from or to any Plant or Apparatus which is not comprised in the BM Unit;
- (c) the Metered Volumes from the BM Unit's Plant and Apparatus are submitted separately from any Plant and Apparatus not part of the BM Unit;
- (d) the BM Unit's Imports and Exports are not measured by both Central Volume Allocation (CVA) and Supplier Volume Allocation (SVA) Metering Systems; and
- (e) there are no smaller aggregations of the BM Unit's Plant and Apparatus satisfying (a), (b) and (c).

What are standard BM Units?

BSC Section K3.1.4 lists single BM Units deemed to satisfy the requirements of a BM Unit in K3.1.2. These are referred to as 'standard' BM Units in [BSC Procedure \(BSCP\) 15 'BM Unit Registration'](#)). They are:

- (a) any Generating Unit, Combined Cycle Gas Turbine Module or Power Park Module for whose Exports the Metering System(s) is or are registered in the Central Meter Registration System (CMRS);
- (b) the Plant and Apparatus which comprises part of, and which Imports electricity through the station transformer(s) of, a Generating Plant, where the Metering System(s) for such Imports is or are registered in CMRS;
- (c) premises (of a Customer supplied by a Party) which are directly connected to the Transmission System, provided that such premises are so connected at one Boundary Point only;
- (d) an Interconnector BM Unit;
- (e) a Base BM Unit or an Additional BM Unit (collectively termed 'Supplier BM Units' in K3.3.5);
- (f) any configuration of Plant and Apparatus set out in Table A in BSC Annex I-2 ('Non-standard BM Unit Configurations under the transitional arrangements for implementation of BETTA'); and
- (g) any two or more Offshore Power Park Modules (for whose Exports the Metering System(s) is or are registered in CMRS), where the responsible Party wishes to combine these as a single BM Unit and the Transmission Company in its absolute

discretion determines that such a configuration is suitable to constitute a single BM Unit.

What are non-standard BM Units?

BSC Sections K3.1.5 and K3.1.6 allow the Party responsible for registering the BM Unit to apply to the BSC Panel (delegated to the ISG) for a BM Unit (referred to as a 'non-standard' BM Unit in BSCP15) where:

- The relevant Plant and Apparatus does not fall into one of the categories (a)-(g) above, as listed in K3.1.4;
- The relevant Plant and Apparatus does fall into one of the categories (a)-(g) above, as listed in K3.1.4, but the Party considers that a different configuration would satisfy the requirements for BM Units in K3.1.2; or
- The relevant Plant and Apparatus Exports or Imports at a CVA Boundary Point at which there are other Exports or Imports for which another person is responsible.

What is the issue?

BSCP15 section 3.1 currently states that if a Party wishes to apply for a non-standard BM Unit configuration for the relevant Plant and Apparatus, it must write a letter to the BSC Company (BSCCo) (ELEXON). This letter must set out the justification and any 'additional information' that explains why its proposed non-standard configuration should be agreed. Currently, BSCP15 does not detail:

- What 'additional information' the Party should provide;
- What ELEXON then does with that information; or
- What the next steps are for progressing the non-standard BM Unit configuration application.

ELEXON is often asked by Parties what information needs to be included in the letter, or if we can provide a sample or template letter. This highlights a lack of clarity in the process, creating the potential for inconsistency and delays in applications.

Proposed solution

[CP1493 'Add a form and associated process steps to BSCP15 for registering Non-Standard BM Unit configurations'](#) was raised by ELEXON on 8 September 2017.

This CP proposes to amend BSCP15 in order to:

- Create a new form to be used by Parties when applying for non-standard BM Units;
- Change the existing process steps for non-standard BM Unit registrations, so that they require Parties to complete the application form rather than submit a letter;
- Add extra steps to the registration process, reflecting how ELEXON then progresses the non-standard BM Unit application to the ISG for decision;
- Add definitions of 'Non-Standard BM Unit' and 'Standard BM Unit'; and
- Make a number of housekeeping changes, including re-ordering process steps for clarity.

Please note that the proposed new form contains the participant details including their name, password and signature. The request for this information is consistent with the other forms in BSCP15. We recognise that the request for this information on a form is inconsistent with some companies' IT policies. However, this issue is being addressed separately within ELEXON. The solution to this issue, when defined, will apply to a number of BSCPs including BSCP15.

Proposer's rationale

At its meeting on 12 May 2016 ([Panel 252/13](#)), the BSC Panel agreed the scope for ELEXON to carry out a [Review of Metering Dispensations and non-standard BM Units](#). This was initiated in light of the growing numbers of Metering Dispensations and non-standard BM Units that Parties have requested for sites being configured and re-configured to accommodate mid-sized renewables and the re-development of old generation sites.

The final [report](#) was presented to the BSC Panel at its meeting on 9 March 2017 ([Panel 264/08](#)). One of the recommendations in the report was for this CP to be raised. The intention of CP1493 is to provide clarity for Parties on the information that the ISG requires when it considers applications for non-standard BM Units. Additionally it will help facilitate consistency in applications and reduce the potential for delays caused by ELEXON or the ISG needing to request extra information.

Please also note that other changes will be raised as an outcome from the review that will address other issues such as the number of applications. Further details of these changes can be found in section 5.

Proposed redlining

Attachment A contains the proposed changes to BSCP15 to deliver CP1493.

3 Impacts and Costs

Central impacts and costs

Central impacts

CP1493 will require changes to BSCP15. No system changes are required for this CP and there will be no impacts on BSC Agents.

Central Impacts	
Document Impacts	System Impacts
<ul style="list-style-type: none">BSCP15	<i>None</i>

Central costs

The central implementation costs for CP1493 will be approximately £240 (one ELEXON man day) to implement the relevant document changes.

BSC Party & Party Agent impacts and costs

CP1493 will impact BSC Parties applying for non-standard BM Units.

Two of the three respondents to the CP Consultation highlighted that they will be impacted by CP1493. However, respondents confirmed that the impact will be minor as they will be required to make changes to their current processes and procedures to take account of the new form. The other respondent to the CP Consultation confirmed that they would not be impacted by this CP.

All three respondents to the CP Consultation confirmed that there would be no associated costs with implementing CP1493.

BSC Party & Party Agent Impacts	
BSC Party/Party Agent	Impact
Any BSC Party who wishes to apply for a non-standard BM Unit	Changes will be required to implement the solution. Parties will also need to follow the new process.

4 Implementation Approach

Recommended Implementation Date

CP1493 is proposed for implementation on **22 February 2018** as part of the February 2018 BSC Systems Release.

The February 2018 Release is the next available Release that can include this CP.

All three respondents to the CP Consultation agreed with the proposed implementation approach for CP1493. One respondent commented that documentation changes should be implemented as soon as practically possible.

ISG's initial views

CP1493 was presented to the ISG for information at its meeting on 26 September 2017 ([ISG198/08](#)).

The ISG were asked to provide comments on the new BSCP15 form and whether it would provide sufficient detail to obtain all relevant information from applicants. A member commented that he was concerned that the form had the Authorised Person's signature, name, and password fields. He did not believe it was appropriate to include these details on the form as the password should not be shared and submitting it on a BSCP form was in breach of his company's IT security policy. ELEXON commented that this approach had been taken to be consistent with other BSCPs and ELEXON was separately, outside the scope of this CP, considering whether this approach was still appropriate.

Another member believed it would be clearer to amend the second page of the form to refer applicants to ELEXON for support and guidance rather than include examples of what to include on the form. Another member agreed that, as this form was for a Non-Standard application, the information needed would be different for each application. They therefore believed it was better for the applicant to contact ELEXON for support and not be provided with the examples on the form. ELEXON agreed to request the applicant to contact ELEXON for support and guidance on the form and move the examples to the guidance note on BM Units.

The ISG did not provide any further comments or additional questions to include in the consultation.

SVG's initial views

CP1493 was presented to the SVG for information at its meeting on 3 October 2017 ([SVG200/07](#)).

The SVG were also asked to provide comments on the new BSCP15 form. One SVG member queried whether we still needed to ask for fax numbers on the BSCP form. ELEXON noted that this was still a valid communication method under the BSC and would be consistent with other BSCP forms. Further, it would be better to review fax as a communication method as a separate exercise rather than have different communication methods in different BSCPs. However, there are currently no plans for this exercise as it is not seen as a high priority.

Another SVG member asked if the number of non-Standard BM Unit applications had changed over time. ELEXON advised that they have increased a lot over the last few years and are now averaging one request to the ISG per month. This was largely being caused by changes in technology which was not envisaged when single BM Units were originally defined in the BSC. The same SVG member commented whether this was now the right time to consider changing the BSC to address this increase. ELEXON confirmed that this CP was one of several proposals coming out of the [Review of Metering Dispensations and non-standard BM Units](#). This review also recommended the following changes in relation to non-standard BM Units which would need to be progressed as Modifications:

- to allow separate Import and Export BM Units for the same Plant and Apparatus to be registered by the same Party;

- to add a number of new configurations of Plant and Apparatus to be recognised as standard BM Unit configurations;
- to introduce an ability into the BSC for the Panel to agree 'generic' non-standard BM Unit configurations. Once approved, any BM Unit configuration that meets the 'generic' non-standard configuration could be registered by ELEXON without needing the Panel's approval. The Panel could delegate this responsibility to the ISG; and
- to insert a clause into BSC Section K3.1 to state that Parties with a non-standard BM Unit need to consider reapplying if the configuration of that non-standard BM Unit changes.

ELEXON highlighted that it is currently in the process of drafting these Modification Proposals.

An SVG member suggested that public visibility of non-Standard BM Unit applications could help other applicants. ELEXON advised that applicants are encouraged to have their application heard by ISG in the public session. Recently most non-standard BM Unit applications have been held in the open session; however, the electrical single line diagrams that accompany the application are kept confidential.

The SVG did not provide any further comments or additional questions to include in the consultation.

6 Industry Views

This section summarises the responses received to the CP Consultation. You can find the full responses in Attachment B.

Summary of CP1493 CP Consultation Responses				
Question	Yes	No	Neutral/ No Comment	Other
Do you agree with the CP1493 proposed solution?	3	0	0	0
Do you agree that the draft redlining delivers the intent of CP1493?	3	0	0	0
Will CP1493 impact your organisation?	2	1	0	0
Will your organisation incur any costs in implementing CP1493?	0	3	0	0
Do you agree with the proposed implementation approach for CP1493?	3	0	0	0
Do you have any further comments on CP1493?	0	3	0	0

Comments on the CP

All three respondents to the CP Consultation agreed with the proposed changes for CP1493. One respondent commented that the CP addresses an outstanding issue that, in its current form, BSCP15 does not provide enough clarity on the information that is required when applying for non-standard BM units.

Comments on the proposed redlining

No comments were received on the proposed redlined text for CP1493.

However, one respondent noted that the BSCP15 4.13 form contains the statement that 'the Party should contact ELEXON for guidance on how to complete the description section'. The respondent therefore queried whether the guidance could be documented and attached as an annex.

ELEXON notes that when the CP was presented to the ISG for information at its meeting on 26 September 2017 ([ISG198/08](#)), ELEXON had suggested that guidance points were included in the BSCP form. However, the ISG formed the view that, as every non-standard BM Unit application is different, it would be beneficial for the Party to contact ELEXON directly if they were unsure how to complete the form.

ELEXON also advises that it has updated its [BM Unit Guidance note](#) to expand on the detail required for non-standard BM Units. However, this guidance note cannot be attached as an annex to BSCP15 as the BSCP is a Configurable Item (changed only by a Modification or a CP) and the guidance note is not. However, having this information in the guidance note means that it can be updated easily if more detail is required in future.

ELEXON has contacted the respondent who is content with the above response.

SVG202/02

CP1493
CP Assessment Report

27 November 2017

Version 1.0

Page 9 of 12

© ELEXON Limited 2017

7 Recommendations

We invite you to:

- **APPROVE** the proposed changes to BSCP15 for CP1493;
- **APPROVE** CP1493 for implementation on 22 February 2018 as part of the February 2018 Release; and
- **NOTE** that CP1493 will also be presented to the ISG on 11 December 2017 for decision.

SVG202/02

CP1493
CP Assessment Report

27 November 2017

Version 1.0

Page 10 of 12

© ELEXON Limited 2017

Appendix 1: Glossary & References

Acronyms

Acronyms used in this document are listed in the table below.

Acronyms	
Acronym	Definition
BM	Balancing Mechanism
BSC	Balancing and Settlement Code (<i>industry Code</i>)
BSCCo	Balancing and Settlement Code Company
BSCP	Balancing and Settlement Code Procedure
CP	Change Proposal
CPC	Change Proposal Circular
CVA	Central Volume Allocation
ISG	Imbalance Settlement Group (<i>Panel Committee</i>)
SVA	Supplier Volume Allocation
SVG	Supplier Volume Allocation Group (<i>Panel Committee</i>)

External links

A summary of all hyperlinks used in this document are listed in the table below. All external documents and URL links listed are correct as of the date of this document.

External Links		
Page(s)	Description	URL
2	BSC sections on the ELEXON website	https://www.elexon.co.uk/bsc-and-codes/balancing-settlement-code/bsc-sections/
2	BSCPs section on the ELEXON website	https://www.elexon.co.uk/bsc-and-codes/bsc-related-documents/bscps/
4	CP1493 page on the ELEXON website	https://www.elexon.co.uk/cp1493/
4	Panel 252 page on the ELEXON website	https://www.elexon.co.uk/meeting/bsc-panel-252/?from_url=https://www.elexon.co.uk/events-calendar-item/bsc-panel-252/
4	Review of Metering Dispensations and non-standard BM Units report on the ELEXON website	https://www.elexon.co.uk/wp-content/uploads/2016/08/30_264_08A_Review_Dispensations_BMUs_PUBLIC.pdf
4	Panel 264 page on the ELEXON website	https://www.elexon.co.uk/meeting/bsc-panel-263/?from_url=https://www.elexon.co.uk/events-calendar-item/bsc-panel-263/

SVG202/02

CP1493

CP Assessment Report

27 November 2017

Version 1.0

Page 11 of 12

© ELEXON Limited 2017

External Links		
Page(s)	Description	URL
8	ISG198 page on the ELEXON website	https://www.elexon.co.uk/meeting/isg-198/
8	SVG200 page on the ELEXON website	https://www.elexon.co.uk/meeting/svg-200/
9	BSC Guidance Notes page on the ELEXON website	https://www.elexon.co.uk/bsc-and-codes/bsc-guidance-notes/

SVG202/02

CP1493

CP Assessment Report

27 November 2017

Version 1.0

Page 12 of 12

© ELEXON Limited 2017