







BSC Modification Proposal Form		At what stage is this document in the process?
<h1>P388 ‘Aligning the P344 & P354 Solutions’</h1>		<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="border: 1px solid green; background-color: #00a651; color: white; padding: 2px; display: flex; align-items: center; justify-content: center;"> 01 Modification </div> <div style="border: 1px solid #00a651; padding: 2px; display: flex; align-items: center; justify-content: center;"> 02 Workgroup Report </div> <div style="border: 1px solid #00a651; padding: 2px; display: flex; align-items: center; justify-content: center;"> 03 Draft Modification Report </div> <div style="border: 1px solid #00a651; padding: 2px; display: flex; align-items: center; justify-content: center;"> 04 Final Modification Report </div> </div>
<p>Purpose of Modification:</p> <p>The P344 and P354 solutions were designed in parallel to share processes. As neither BSC Modification had been approved the shared processes could not be aligned in the design phase. This has resulted in two independent solutions with duplicate and disjointed processes which resulted in contradictory obligations and the risk of erroneous data entering Settlement via the SVAA.</p>		
	<p>The Proposer recommends that this Modification should:</p> <ul style="list-style-type: none"> be a Self-Governance Modification Proposal; and be sent directly into the Report Phase <p>This Modification will be presented by the Proposer to the BSC Panel on 11 July 2019. The Panel will consider the Proposer’s recommendation and determine how best to progress the Modification.</p>	
	<p>High Impact:</p>	
	<p>Medium Impact:</p> <p>Supplier Volume Allocation Agent (SVAA)</p>	
	<p>Low Impact:</p>	

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P388 Timetable		
The Proposer recommends the following timetable:		
Present Initial Written Assessment to Panel	11 July 2019	 <i>tom.darwen@elexon.co.uk</i>
Report Phase Consultation	15 July 2019 – 2 August 2019	 020 7380 4338
Draft Modification Report presented to Panel	8 August 2019	Proposer: <i>Grahame Neale</i>
Final Modification Report submitted to Authority	15 August 2019	 <i>grahame.neale@nationalgrid.com</i>
		 07787 261 242
		Proposer's representative: <i>Matthew Roper</i>
		 <i>matthew.roper@elexon.co.uk</i>
		 0207 380 4179

1 Summary

Background

P344 'Project TERRE'

As part of the Wider Access piece P344 introduced a new BSC Participation Role called Virtual Lead Party (VLP) who will act as Independent Aggregators in the SVA market. An Independent Aggregator is a Party who bundle changes in consumer's loads or distributed generation output for sale as a Balancing Service but do not simultaneously supply the customer with energy.

Balancing Services delivered by a VLP will therefore affect metered volumes at site boundaries and therefore the Imbalance Position of the registered Supplier at those sites. To ensure that no Supplier is adversely impacted by these actions P344 introduces obligations on the VLP to inform Supplier Volume Allocation Agent (SVAA) of the sites within its portfolio that it will be using to provide Balancing Services in the form of MSID Pairs. P344 also introduces obligations on the VLP to inform Supplier Volume Allocation Agent (SVAA) of the volume deviation of each site it has used to provide Balancing Services in the form of MSID Pair Delivered Volume.

MSID Pair Delivered Volume forms the basis of the adjustments made to Supplier Imbalance Positions to rectify any impact on the actions taken by a VLP.

P354 'ABSVD'

The P354 solution rectifies defect in the current arrangements for notifying Applicable Balancing Services Volume Data (ABSVD). P354 obligates the Transmission Company to provide ABSVD for non-BM Balancing Services providers to BSC Central Systems for allocation to the appropriate Supplier BM Unit to correct their Energy Imbalance position.

Balancing Services actions delivered by a Non-BM Balancing Service Provider will affect the metered volumes at sites and therefore the Imbalance Position of the registered Supplier of those sites. To ensure that no Supplier is adversely impacted by these actions P354 introduces obligations on NGENSO to inform Supplier Volume Allocation Agent (SVAA) of the sites that they will be using to provide Balancing Services in the form of MSID Pairs. P354 also introduces obligations on NGENSO to inform Supplier Volume Allocation Agent (SVAA) of the volume deviation of each site they have used to provide Balancing Services in the form of MSID Pair Delivered Volume.

MSID Pair Delivered Volume forms the basis of the adjustments made to Supplier Imbalance Positions to rectify any impact on the actions taken by NGENSO.

What is the issue?

Both P344 and P354 solutions seek to adjust a Suppliers Imbalance Position for actions taken by a third Party i.e. VLP actions in P344 and Non BM Party actions in P354. Both solutions mandate the creation of a register to record MSID used by these third Parties and identify the impacted Supplier. Delivered volumes are collected and compared against metered volumes to be used in calculating an adjustment for the impacted Supplier.

Therefore, P344 and P354 were designed in parallel to share processes in regards to recording MSID Pairs on the SVA Metering System Balancing Services Register maintained by Supplier Volume Allocation Agent (SVAA), MSID Pair Delivered Volume allocation, subsequent Delivered Volume aggregation and Supplier Primary BM Unit adjustment.

However as neither BSC Modification had been approved while drafting the shared processes they could not be aligned in their design phases as they could not reference nor interact with the other solution. This has resulted in two independent solutions which when combined create duplicate, incoherent and contradictory sets of defined terms and obligations. If the solutions are not aligned the legal integrity of the BSC deteriorates and there is a significant risk that erroneous data is entered into Settlement.

What is the proposed solution?

- Conflicting definitions of shared defined terms to be amended to align
- The process for allocating MSID Pair Delivered Volumes to composite MSIDs needs to be updated to account for both VLP and NGESO inputs
- Aligning and simplifying the parallel (P344 & P354) processes surrounding allocation of MSID Pairs recorded on the SVA Metering System Balancing Services Register.
- Resolving typos / incorrect references contained in texts for both P344 and P354

2 Governance

Justification for proposed progression Self-Governance

The Proposer requests that this Modification is progressed as a Self-Governance Modification. This is on the basis that his Modification will not make any changes that will have a material impact on the Self-Governance criteria. This Modification will provide clarity to the approved P354 and P344 solutions but does not change the intent of the solutions.

Proposed Progression Timetable for 67-A

Event	Date
Present Initial Written Assessment to Panel	11 July 2019
Report Phase Consultation (10 WDs)	17 July 2019 – 31 July 2019
Draft Modification Report presented to Panel	8 August 2019

Requested Next Steps

This Modification should

- be sent directly into the Report Phase

3 Why Change?

What is the issue?

[P344 'Project TERRE'](#) and [P354 'Use of ABSVD for non-BM Balancing Services at the metered \(MPAN\) level'](#) were designed in parallel to share processes, where appropriate, to promote efficiency with the BSC arrangements. However as neither BSC Modification had been approved during the design phase the shared processes could not be aligned as they could not reference a Modification that had not been approved.

This has resulted in two independent solutions with duplicate and incoherent processes which result in contradictory obligations and the risk of erroneous data entering Settlement.

4 Code Specific Matters

Reference Documents

P344 - Final Modification Report

P354 - Final Modification Report

5 Solution

Proposed Solution

SVA Metering System Balancing Services Register

P344 'Project TERRE' and P354 'Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level' both require that a BSC Party inform Supplier Volume Allocation Agent (SVAA) of the contents of their Balancing Services portfolio by submitting MSID Pairs to the Supplier Volume Allocation Agent (SVAA).

Both solutions were written to capture MSID Pairs from a singular data source and have minor format discrepancies in regards to required data items. A combined solution is needed to accept MSID Pairs from multiple sources and be able to store and differentiate between MSID Pairs.

MSID Pair Delivered Volume allocation

P344 'Project TERRE' and P354 'Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level' both require that a BSC Party inform Supplier Volume Allocation Agent (SVAA) of the site level actions required to fulfil a Balancing Action by submitting MSID Pair Delivered Volumes to the Supplier Volume Allocation Agent (SVAA). Once received the SVAA compares against the actual metered volumes (received from the HHDA) and allocates the MSID Delivered Volume between the MSIDs within the MSID Pair.

Both solutions were written to capture MSID Pair Delivered Volumes from a singular data source and have minor format discrepancies in regards to required data items. In addition, when allocating MSID Pair Delivered Volumes between the MSID within the MSID Pair the solutions do not take into account any other Balancing Actions (e.g. The P344 TERRE solution does not recognise P354 actions and vice versa). The solution will allow acceptance of MSID Pair Delivered Volumes from multiple sources and be able to allocate them fairly and accurately by taking into account different sets of Volumes.

Delivered Volume aggregation

P344 'Project TERRE' and P354 'Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level' both require that SVAA aggregate MSID Delivered Volumes per impacted Supplier BM Unit. However, the P344 solution includes a correction for GSP Group Correction Factor whilst P354 does not.

This Modification proposes to align the solutions by applying GSP Group Correction Factor to the P354 ABSVD volumes to ensure that all volumes in Settlement have been adjusted consistently.

Conflicting definitions

A number of conflicting definitions have been identified as each solution has defined items in the context of their own solution. The definitions shall be expanded to include reference to both P344 and P354 solutions respectively.

Manifest Errors

A number of small errors / typos / incorrect references have been identified in both the P344 and P354 texts which can be rectified

6 Impacts & Other Considerations

Impacts

Who will be impacted?

- **Supplier Volume Allocation Agent (SVAA)** – receive, process, store, differentiate, allocate and aggregate both ABSVD and VLP MSID Pair Delivered Volumes

Does this Modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This Modification is not linked to any live SCRs. Therefore, we request that this Modification be exempt from the SCR process.

Consumer Impacts

Day to day operation of Balancing and Settlement will be unaffected, however, there could be an indirect impact on Balancing Service Provider revenue generation and therefore market participation. This could ultimately impact the Imbalance Price Action stack and impact the consumer through their Supplier.

Environmental Impacts

Day to day operation of Balancing and Settlement will be unaffected, so there will be no impact on the environment.

7 Relevant Objectives

Impact of the Modification on the Relevant Objectives:	
Relevant Objective	Identified impact
a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence	Neutral
(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System	Neutral
(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	Neutral
(d) Promoting efficiency in the implementation of the balancing and settlement arrangements	Positive
(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]	Neutral
(f) Implementing and administrating the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation	Neutral
(g) Compliance with the Transmission Losses Principle	Neutral

Applicable BSC Objective (d)

We believe this Modification will positively impact objective (d) by aligning solutions to support shared process and enable synergies to promote efficient, economic and co-ordinated operation of the balancing and settlement arrangements.

8 Implementation Approach

In order to ensure that the P344 and P354 legal text are aligned correctly, this Modification needs to be implemented on the same date as P354, i.e. 01 April 2020. P354 implementation is currently scheduled as a standalone BSC Release for 01 April 2020.

9 Legal Text

The full proposed legal text for this Modification shall be developed as part of the Report Phase.

10 Recommendations

Proposer's Recommendation to the BSC Panel

The BSC Panel is invited to:

- Agree that P388 be progressed as a Self-Governance Modification Proposal; and
- Agree that P388 be sent straight to Report Phase;