NOVEMBER 2020 RELEASE – REVIEW OF CONFIGURABLE ITEMS

Date	10 August 2020
То	CVA and SVA Release Circular distribution lists
From	BSC Change
Purpose	For your review
From	BSC Change

1. What is the purpose of this circular?

- 1.1 The purpose of this circular is to invite the BSC Parties and any interested third parties to review the draft versions of the BSC Configurable Items (CIs) that we are amending for:
 - P396 'Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units';
- 1.2 Please return your comments to <u>releases@elexon.co.uk</u>, using the review form provided as Attachment 1 to this circular, by **17.00 on 21 August 2020**.

2. Who is impacted by the Modification(s)?

- 2.1 P396 will impact:
 - Generators;
 - Suppliers;
 - Non Physical Traders;
 - Interconnector Users;
 - Interconnector Administrators; and
 - Interconnector Error Administrators.

3. Which BSC Configurable Items do I need to review?

3.1 The following BSC CIs will require your review. Please click the links to review the changes. You can download the redlined changes from the relevant Modification or CP webpages or the <u>Release Circulars</u> webpage.

No.	Modification/CP	BSC CI (including link to redlined document)
1	<u>P396</u>	SAA User Requirements Specification (URS), NETA IDD Part 2 Document

4. What will happen after the industry review?

- 4.1 Elexon will consider all review comments and update the documents as required. Elexon will also inform the outcome of any comments to the relevant reviewer where necessary.
- 4.2 We will then take the documents and a summary of any consultation responses to the responsible Committee(s). The Committee papers will note any comments that we didn't action and the reasons why, and any subsequent course of action undertaken as a result.

5. When will the BSC Configurable Items become effective?

- 5.1 The Release Date for P396 is:
 - 5 November 2020 as part of the November 2020 BSC Release.
- 5.2 If you have any queries about this circular, please email <u>Releases@elexon.co.uk</u>.





NOVEMBER 2020 RELEASE – REVIEW OF CONFIGURABLE ITEMS

Appendices

Appendix 1 – summary of changes for review in the November 2020 Release.

Attachments

Attachment A – Response form

For more information, please contact:

Matthew Woolliscroft, Senior Change Analyst Matthew.woolliscroft@elexon.co.uk 020 7380 4165

Release Circular 1.0

Page 2 of 3

Appendix 1 – Summary of changes in the November 2020 Release

1. What's new for P396?

- 1.1 Interconnector Users in Great Britain (GB) are liable for the BSC Costs equivalent to the market share of the export and import registered on their Interconnector Balancing Mechanism (BM) Units. The application of BSC Charges to cross-border flows creates a differential between those trades that facilitate competition within a national market and pan European trades that facilitate competition across a single European electricity market. Efficient trading between GB and other Member States is therefore compromised.
- 1.2 In the BSC Interconnector flows are treated as production or consumption for the purposes of calculating BSC Charges. This does not clearly best facilitate EU Third Package (EC 714/2009) Article 2 which defines an Interconnector as "a transmission line which crosses or spans a border between two Member States and connects transmission systems of Member States".
- 1.3 P396 has been raised to progress the solution previously developed under Modification P361 'Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units'.
- 1.4 This Circular invites you to comment on the changes to the following BSC CIs for P396:
 - Settlement Administration Agent Service Description; and
 - NETA IDD Party 2 Document.
- 1.5 For more in on P396 please contact **Elliott Harper** on 020 7380 4165 or email <u>bsc.change@elexon.co.uk</u>.