

CP1407 v2.0

About this document:

This is an Assessment Consultation document, which provides details of the background, solution, potential impacts and costs associated with CP1407 v2.0 'Updates to current LLF audit templates'. This document is for information only, to be used in line with the Consultation Response form, to which this document is attached.

1. Why Change?

Background

The annual Line Loss Factor (LLF) audit checks that the LLFs identified by the Licensed Distribution System Operators (LDSOs) for the forthcoming BSC year are calculated in line with the methodology set out in Balancing and Settlement Code Procedure (BSCP) 128 'Production, Submission, Audit and Approval of Line Loss Factors'.

What is the issue?

Upon a recent review of the current process, the following inefficiencies were identified:

- Risk that the audit may not be completed to time or quality due to multiple different formats of similar information from the array of LDSOs; and
- Risk that the audit may not be completed to the required quality due to the inherent manual processes to check data.

The audit process currently presents a number of issues including heavy reliance on a paper trail and manual version control. There is also lots of data checking processes that could be simplified e.g. into spreadsheets etc.

To further ensure the audit gets completed on time and reduce the risk for errors, it is necessary to introduce some further controls.

CP1407 v1.0

ELEXON raised [CP1407](#) v1.0 'Updates to current LLF audit templates' on 3 February 2014 to address the issues identified with the current process. We issued CP1407 v1.0 for CP Impact Assessment via [CPC00737](#) and received 10 responses, of which five agreed, three disagreed and two were neutral.



Assessment Consultation

A number of substantive comments were received on the proposed redlined text, particularly in relation to the new BSCP128: Appendix 9 'Site Specific LLF Calculation Audit Evidence Template'. The full collated responses can be found in Attachment K.

ELEXON has now addressed respondents' comments and concerns but identified that these changes would have a material impact on the CP1407 solution as amendments would include making the templates optional rather than mandatory as originally proposed. A second CP Impact Assessment is therefore required in order to obtain industry views on the revised solution.

2. Solution

CP1407 v2.0 proposes to create a set of templates with consistent formatting for the LDSOs to complete. These templates will be optional and will make use of the most appropriate file format available for certain elements of the submission. The proposed changes are as follows:

- Move tables 2.1 and 2.2 with the Calculation Self Assessment Document (CSAD) from BSCP128: Appendix 3 and BSCP128: Appendix 4 to a proposed new Appendix in an Excel Workbook format;
- Site specific LLFs – provide consistent template design in Excel for LDSOs to submit and enable quick review by ELEXON; and

As a result of the changes prompted by the review, a general review of the BSCP documents was undertaken to ensure the details of the LLF audit process is up to date and accurate. Taking this and the responses received to the CP Impact Assessment for CP1407 v1.0 into account, changes have been made which includes the addition of three Appendices to BSCP128. CP1407 v2.0 will make amendments to each BSCP128 Appendix as follows:

- BSCP128 Appendix 1: Methodology of Self Assessment Document (MSAD) for Host LDSOs and Embedded LDSOs that do not Mirror – no changes will be made;
- BSCP128 Appendix 2: Methodology of Self Assessment Document (MSAD) for Host LDSOs and Embedded LDSOs that Mirror – no changes will be made;
- BSCP128 Appendix 3: Calculation Self Assessment Document (CSAD) for Host LDSOs and Embedded LDSOs that do not Mirror – additional draft redlined changes made since CP1407 v1.0 are highlighted in yellow;
- BSCP128 Appendix 4: Calculation Self Assessment Document (CSAD) for Host LDSOs and Embedded LDSOs that Mirror – additional draft redlined changes made since CP1407 v1.0 are highlighted in yellow;
- Proposed new Appendix in Excel format: BSCP128 Appendix 5: CSAD 2.1 and 2.2 tables for all Host and Embedded Submissions – additional draft redlined changes made since CP1407 v1.0 are outlined in red;
- BSCP128 Appendix 5: CVA Long and Short Format data files to be renamed as Appendix 6;



Assessment Consultation

- BSCP128 Appendix 6: SVA Format data file (D0265) to be renamed as Appendix 7;
- BSCP128 Appendix 7: SVA Summary Report to be renamed as Appendix 8;
- Proposed new Appendix in Excel format – BSCP128 Appendix 9: Site Specific LLF Calculation Audit Evidence Template – additional draft redlined changes made since CP1407 v1.0 which are as follows:
 - an additional LLF Calculation Sheet for Export has been included;
 - a description box on how the import and export are combined to calculate the final LLF has been included; and
 - customer import and export load data tabs have been added to the template; and
- Proposed new Appendix: BSCP128 Appendix 10: Calculation Self-Assessment Document (CSAD) for mid-year LLF submissions.

Although the templates are not mandatory, ELEXON notes that BSCP128: Appendix 9 is an example calculation template only. Therefore participants should also attach a template which details the calculation of the site specific LLF; only for the sites that ELEXON have nominated as being audited. To accompany this, ELEXON has created a list of requirement descriptions for completing BSCP128: Appendix 9, which participants must use if they choose to use their own template. The requirements can be found in BSCP128 in Attachment A and in the table below:

Requirement	Description of requirement
1	The calculation details must be provided in a spreadsheet format (requirement 7 & 9 can be provided in additional attachments)
2	Show the year of data being used to calculate the Line Loss Factor
3	Show that the Line Loss Factor calculation takes into account of both variable losses and fixed losses
4	Show/confirm that the Line Loss Factor calculation takes into account of Technical Losses only
5	Show that Line Loss Factor is calculated for the STOD as defined in the methodology statement
6	Show the difference in network losses when the customer is connected and disconnected
7	Provide screenshot/raw data to support requirement 6
8	Show the customer's load data that is being used to calculate the Line Loss Factor
9	Show the customer's line diagram and label the connection voltage for the customer
10	Check the calculated Line Loss Factor values against previously approved values (within acceptable tolerance level)
11	Only applicable - If export and import LLFs are individually calculated and then combined to derive the final LLF, show both export and import LLF calculations using the extra "Additional LLF Calculation" sheet. Provide description on how the export LLF and import LLF are combined to calculate the final LLF



Assessment Consultation

In addition it should be noted that, if this CP is approved, the BSC Baseline Statement would need to be amended which requires approval from the BSC Panel.

Overall, CP1407 v2.0 proposes to make the LLF audit process easier and quicker for ELEXON and LDSOs to complete, while minimising the risk for errors. We envisage that the changes made will mitigate the inefficiencies identified by reducing replication, manual checking and translation; all of which increase the risk of errors. There would also be the benefit of storing as much information as possible electronically to remove the need for lots of manual printing. This CP would also aim to simplify the submission of these templates as much as possible to reduce the risk of the audit not being completed on time or to the required quality.

Question 1

Do you agree with the proposed change?

3. Impacts and Costs

Potential central impacts and costs

CP1407 v2.0 will require updates to the following documents, however there are no impacts on BSC Systems:

ELEXON estimated costs and potential impacts		
Document changes	System changes/impacts	Total costs
BSCP128	No system changes or impacts identified.	7 man days equating to £1680
BSCP128: Appendix 3		
BSCP128: Appendix 4		
BSCP128: Appendix 5 (new – Excel)		
BSCP128: new Appendix 6 (previously Appendix 5)		
BSCP128: new Appendix 7 (previously Appendix 6)		
BSCP128: new Appendix 8 (previously Appendix 7)		
BSCP128: Appendix 9 (new - Excel)		
BSCP128: Appendix 10 (new – Word)		



Assessment Consultation

Potential participant impacts and costs

Six respondents to CP1407 v1.0 indicated an impact in that they have to take part in the audit process each year. We envisage that the same response will be received for CP1407 v2.0.

Question 2

Is your organisation impacted? If yes, please answer the following:

Question 2a

How is your organisation impacted?

Question 2b

What are the associated costs on your organisation to implement this change?

4. Implementation Approach

CP1407v 2.0 is targeted for implementation on 26 June 2014 as part of the June 2014 BSC Systems Release.

Question 3

Do you agree with the implementation approach? If not, why?

Attachments:

Attachment A – CP1407 v2.0 Form
Attachment B – CP1407 v2.0 – BSCP128 Redlining v0.2
Attachment C – CP1407 v2.0 – BSCP128: Appendix 3 Redlining v0.2
Attachment D – CP1407 v2.0 – BSCP128: Appendix 4 Redlining v0.2
Attachment E – CP1407 v2.0 – BSCP128: Appendix 5 Redlining v0.2
Attachment F – CP1407 v2.0 – BSCP128: Appendix 6 Redlining v0.1
Attachment G – CP1407 v2.0 – BSCP128: Appendix 7 Redlining v0.1
Attachment H – CP1407 v2.0 – BSCP128: Appendix 8 Redlining v0.1
Attachment I – CP1407 v2.0 – BSCP128: Appendix 9 Redlining v0.2
Attachment J – CP1407 v2.0 – BSCP128: Appendix 10 Redlining v0.1
Attachment K - CP1407 v1.0 Consultation Responses

For more information, please contact:

Claire Anthony

Change Analyst, Transformation Delivery

claire.anthony@elexon.co.uk

020 7380 4293