

P384 UPDATE

MEETING NAME BSC Panel

Date of meeting 11 April 2019

Paper number 289/09

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Purpose of paper Decision

Classification Public

Summary This paper provides an update on the [P384](#) 'The publication of European Electricity Balancing Guideline ([EBGL](#)) balancing data by BMRS' solution, costs, impacts and risks. The Panel is invited to progress P384 to the Report Phase.

1. Background

- 1.1 National Electricity Transmission System Operator (NETSO) raised P384 on 6 March 2019. ELEXON and NETSO presented the Initial Written Assessment (IWA) to the BSC Panel on 14 March 2019. The Panel deferred its decision (in accordance with BSC Section F2.2.5) as it believed it had insufficient information available to enable it to decide how P384 should be progressed.
- 1.2 ELEXON informed the Panel at its meeting on 14 March 2019 that delivering P384 at the same time as [P344](#) 'Project TERRE' would significantly increase the delivery risk profile. The Panel therefore sought further clarification on the costs, lead times and impacts of P384, the risks P384 may have on P344 delivery, and the interactions with NETSO. ELEXON and NETSO agreed to provide this information and present an update at the next Panel meeting on 11 April 2019.
- 1.3 Further, ELEXON highlighted that since the P384 IWA was submitted it had come to light that an incorrect assumption had been made in the impact assessment. Consequently, the costs and lead times would increase. A new impact assessment would be needed to finalise the costs and lead times.
- 1.4 The Panel gave a strong steer that the wider access to the Balancing Mechanism that P344 will enable was of a higher priority than P384.
- 1.5 The P384 Initial Written Assessment ([IWA](#)) fully explains the P384 issue (Attachment A).

2. Update to delivery risk profile of P384 and P344

- 2.1 There are currently three competing changes looking to amend Balancing Mechanism Report Service (BMRS) for delivery around the same time:
 - P344 – Implementation in December 2019;
 - [CP1516](#) 'New Interconnector Fuel Type Categories: ElecLink & IFA2' – Implementation in November 2019; and
 - P384 – Implementation by 18 December 2019.
- 2.2 P344 is the largest and most complex BSC Modification to date. It involves complex changes to multiple Central Systems and dependencies with external market participants and their systems. This unprecedented change means delivering these changes in parallel creates additional complexity for development and delivery and places constraints on key resources and test environments.
- 2.3 Delivering the original P384 solution will impact the P344 delivery timeline.

P384 UPDATE

- 2.4 We are therefore recommending that the P384 solution is reduced in scope to meet only the compliance obligations. This will ensure the data is publically available for participants and will reduce the impact on BMRS and mitigate the risk of delivery to P344.
- 2.5 We will provide a separate update to the Panel on CP1516.

3. Revised P384 Solution

- 3.1 We have revised the solution to ensure the data is available to users, meets the compliance obligations and mitigates any risk of impacting P344 delivery. This means that data will not, for an interim period, be published on the BMRS, but will be sent to the European platform, the Electricity Market Fundamental Information Platform (EMFIP). This approach mitigates, as far as possible, the risk of impacting P344 delivery, whilst ensuring BSCCo and NETSO compliance with the EBGL and the European Transparency Regulation ([543/2013](#)) (ETR). Importantly, this will also ensure that GB data is available to market participants, albeit on EMFIP for a temporary period. We are working on options to publish the data on BMRS as soon as possible.
- 3.2 We are speaking to users of BMRS to validate our understanding that this revised P384 solution will not adversely impact them.
- 3.3 Under the revised P384 solution, the new EBGL reporting and the amended ETR data will be sent to EMFIP to fulfil the EU legislation, and any existing EBGL or ETR reports that are not subject to change under P384 will continue to be published on BMRS. More specifically:

New reporting requirements

- The BMRA will receive and forward new EBGL Article 12 data to EMFIP; P384 will introduce an obligation for NETSO to provide the EBGL Article 12 data to BMRA.

Amended reporting requirements

- The BMRA will no longer receive or forward a subset of ETR Article 17 data from NETSO as the reporting schemas are being withdrawn from the ENTSO-E MoP
 - The BMRA will forward amended ETR Article 17.1.f data in accordance with an amended XML; schema as specified in the European Network of Transmission System Operators for Electricity (ENTSO-E) Manual of Procedures (MoP).
- 3.4 An 'As Is' and 'To Be' diagram can be found in Appendix 1.

4. Obligations and compliance

- 4.1 The Department for Business, Energy and Industrial Strategy (BEIS) assigned, amongst others, European Balancing Guideline (EBGL) Articles 12.3(a) to (e) and 12.5 tasks and obligations to BSCCo. Articles 12.3(a) to (e) require BSCCo to publish the specified balancing information and Article 12.5 requires BSCCo to publish this data, as a minimum, on the European data platform (EMFIP) in a harmonised format.
- 4.2 EBGL also requires NETSO to publish the remaining Article 12.3 information specified in sub-paragraphs (f) to (l) and Article 12.5 requires NETSO to send this data to EMFIP. Article 12.5 requires the data to be sent to EMFIP by 18 December 2019. Article 12.3 is already in force. Publication of existing BMRS data is believed to discharge a number of these obligations currently.
- 4.3 Any obligations assigned to BSCCo will make BSCCo legally responsible for those obligations. Similarly, any obligations, such as EBGL Articles 12.3(f) to (l), remain the responsibility of NETSO.
- 4.4 The intention of the revised P384 solution is therefore to enable:
- Users to access the data on EMFIP; and

P384 UPDATE

- BSCCo and NETSO to comply with their respective EBGL Article 12(5) obligations.
- 4.5 Once a Modification Proposal has been raised the issue or defect cannot be amended. The solution can be amended, so long as it addresses the same issue or defect. P384 was raised to “ensure the BSC remains complaint with obligations relating to the EBGL and the ETR.” We therefore propose that the P384 legal text is revised to remove the obligation to publish all GB data on BMRS. Revised legal text can be found in Attachment B. We have also deleted paragraphs V2.2.2A and V2.7.1(b) and (c) as they should have been deleted under [P340](#) ‘Removal of References and Requirements Relating to the LCPD’. As mentioned above, we continue to investigate how we can deliver the data on BMRS as soon as possible.
- 4.6 If P384 is not delivered by 18 December 2019 then, in the absence of a no-deal Brexit (see below), BSCCo will be in non-compliance with Article 12(5) and potentially elements of Article 12(3). Ofgem is responsible for investigating any GB non-compliances.

Brexit

- 4.7 In the event of a no-deal Brexit, Article 12.5 will be amended to read “No later than two years after entry into force...each TSO shall publish the information pursuant to paragraph 3 in a commonly agreed harmonised format”. NETSO and ELEXON have drafted a letter to request the Authority appoint BMRS as the reporting service for this obligation. If we were unable to publish the information on the BMRS, BSCCo would be non-compliant with secondary legislation. Ofgem would be responsible for investigating this non-compliance.
- 4.8 It should be further noted should a no-deal Brexit occur, we do not believe the revised P384 solution would be required. Rather a new Modification to require the information to be reported on BMRS would be required.

5. P384 Revised Costs and Impacts

- 5.1 The revised P384 solution requires both BSC documentation and ELEXON Central System changes.
- 5.2 Based on the revised solution and current assumptions we estimate that the revised P384 solution will cost approximately £300k. The compliance deadline associated with the relevant EB GL and ETR requirements is 18 December 2019.
- 5.3 We propose the P384 Implementation Date is **18 December 2019**.
- 5.4 We will provide final costs and lead times in the Draft Modification Report, which we propose to present to the Panel on 9 May 2019.
- 5.5 We will seek confirmation of the impacts on Parties and BMRS users via the Report Phase Consultation.
- 5.6 We have revised the impact tables and included them in Appendix 2 for reference.

Dependencies with NETSO

- 5.7 P384 requires NETSO to provide data to the BMRA. Under the revised solution, the BMRA will provide this data to EMFIP. NETSO have confirmed they are on track to deliver this input data and support testing. There are no dependencies on NETSO to publish the data on BMRS.
- 5.8 We will need to operate a resource management activity with P344 resources as there are design specialists who will need to support this activity. We have mitigated the dependency by recommending a revised P384 solution whilst P344 is the top priority.
- 5.9 The approach being recommended will not impact existing BMRS reporting.

P384 UPDATE

6. Proposed Progression

- 6.1 The proposed progression route, views against the Applicable BSC Objectives and views on Self-Governance remain unchanged since the IWA was presented on 14 March 2019. We have summarised these views and revised the proposed progression timeline below.
- 6.2 Progression Route: The Proposer believes this Modification should be progressed straight to the Report Phase as the solution is self-evident.
- 6.3 Self-Governance: This Modification should be determined under Self Governance as it meets the Self-Governance criteria.

Timetable

Proposed Progression Timetable for P384	
Event	Date
P384 Update presented to BSC Panel	11 April 2019
Report Phase Consultation (10 WDs)	15 April 2019 – 30 April 2019
Draft Modification Report presented to Panel	9 May 2019
Final Modification Report published	14 May 2019
Self-Governance Appeal Window (15 Working Days)	9 May 2019 – 30 May 2019

7. Recommendations

- 7.1 We invite you to:
- **AGREE** that P384 progresses directly to the Report Phase;
 - **AGREE** that P384:
 - DOES better facilitate Applicable BSC Objective (c); and
 - DOES better facilitate Applicable BSC Objective (e);
 - **AGREE** an initial recommendation that P384 should be approved
 - **AGREE** an initial P384 Implementation Date of 18 December 2019;
 - **AGREE** the draft legal text;
 - **AGREE** an initial view that P384 should be treated as a Self-Governance Modification; and
 - **NOTE** that ELEXON will issue the P384 Draft Modification Report (including the draft BSC legal text) for a 10 Working Day consultation and will present the results to the Panel at its meeting on 9 May 2019.

Appendices

Appendix 1 – 'As Is' and 'To Be' diagrams

Appendix 2 – P384 Impacts

P384 UPDATE

Attachments

Attachment A – P384 Initial Written Assessment

Attachment B – P384 proposed legal text

For more information, please contact:

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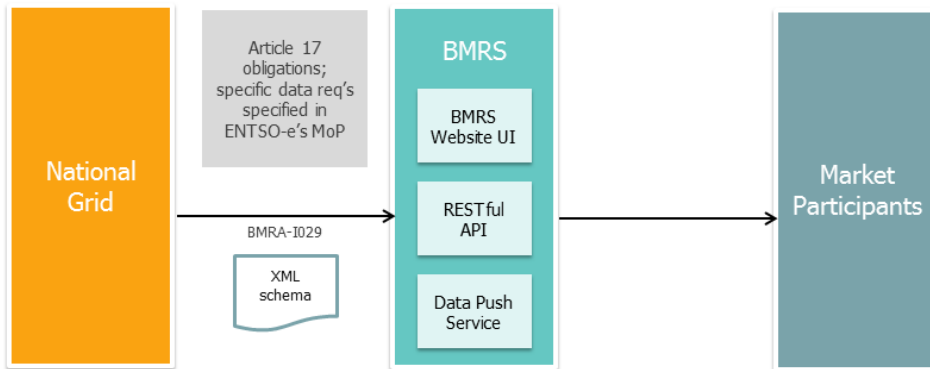
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P384 UPDATE

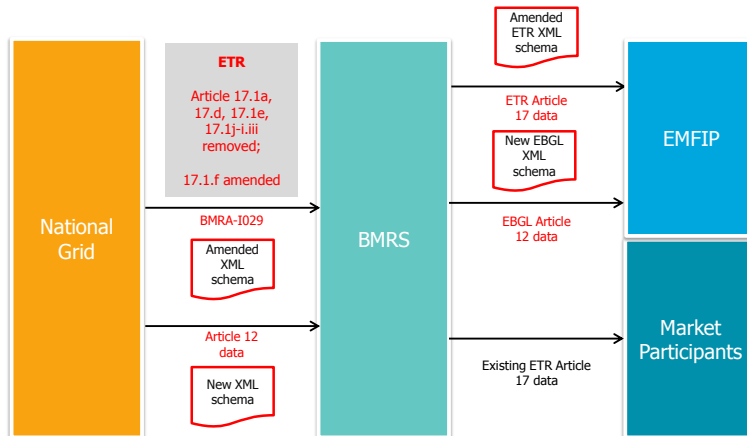
APPENDIX 1: 'AS IS' AND 'TO BE' DIAGRAMS

As-is



To-be

P384 To-Be



P384 UPDATE

APPENDIX 2: P384 IMPACTS

Impact on BSC Parties and Party Agents

Party/Party Agent	Potential Impact
BSC Parties and Party Agents	We do not anticipate any impact on Parties or users of BMRS as the existing reports will not be impacted, except that some of the existing reports will be withdrawn, as they will be replaced with the new reports sent to EMFIP. Parties may choose to retrieve the data from EMFIP.

Impact on Transmission Company

NETSO have stated, as a consequence of this Modification, they do not expect any impacts, as they have already incorporated its requirements into existing projects.

Impact on BSCCo

Area of ELEXON	Potential Impact
Releases	Implement the changes to BMRS.
Configuration Management	Implement the changes to the BSC and Code Subsidiary Documents.

Impact on BSC Systems and processes

BSC System/Process	Potential Impact
BMRS	Process new reports from NETSO.

Impact on BSC Agent/service provider contractual arrangements

BSC Agent/service provider contract	Potential Impact
BMRA	Will receive data from NETSO and send data to EMFIP.

P384 UPDATE

Impact on Code	
Code Section	Potential Impact
BSC Section Q 'Balancing Mechanism Activities'	TSO obligations to provide required EB GL Article 12 data to be added to BSC Section Q TSO obligations to provide the removed ENTSO-E Manual of Procedures reporting requirements in regards to ETR Article 17 data to be removed from Section Q.
BSC Section V 'Reporting'	The removed ENTSO-E Manual of Procedures reporting requirements in regards to ETR Article 17 data should be removed from Section V and the new EB GL requirements included.

Impact on Code Subsidiary Documents	
CSD	Potential Impact
NETA Interface Definition and Design Part 2 (NETA IDD Part 2)	Changes will be required to implement the solution. The proposed changes will be developed and consulted on by September 2019.
NETA Interface Definition and Design Part 1 (NETA IDD Part 1)	
BMRS Service Descriptions (SD)	
BMRS User Requirements Specification	

Impact on other Configurable Items	
Configurable Item	Potential Impact
No impacts identified.	

Impact on Core Industry Documents and other documents	
Document	Potential Impact
Ancillary Services Agreements	No impact on any other Core Industry Documents, or other documents identified.
Connection and Use of System Code	
Data Transfer Services Agreement	

P384 UPDATE

Impact on Core Industry Documents and other documents

Document	Potential Impact
Distribution Code	
Distribution Connection and Use of System Agreement	
Grid Code	
Master Registration Agreement	
Supplemental Agreements	
System Operator-Transmission Owner Code	

Impact on a Significant Code Review (SCR) or other significant industry change projects

We requested SCR exemption from the Authority on 5 February 2019. The Authority confirmed P384 is SCR exempt on 9 April 2019.

Impact on Consumers

The day to day operation of Balancing and Settlement would remain unaffected so there would be no direct impact to consumers.

Impact on the Environment

The day to day operation of Balancing and Settlement would remain unaffected so there would be no direct impact to the environment.