

SVAA DATA PROCESSING AND TRANSFER

This document outlines the methodology used to assess the Settlement Risk related to the transfer and processing of data by the Supplier Volume Allocation Agent (SVAA). We are not seeking to exhaustively outline all aspects considered during this assessment; our aim is to draw out the main data items considered and any key assumptions when estimating a future impact range.

The risk that...the SVAA does not process or transfer the correct data or does not use approved default data **resulting in...** erroneous, missing or default data in Settlement.

Category: Central aggregation and trading charges

Sub category: SVAA data processing

Covers: Processing or defaulting data in accordance with the Settlement calendar.

Does not cover: SVAA defaulting erroneous or missing Data Aggregator files

Estimated impact in 2019/20

Market	Lower	Middle	Upper
HH/NHH	£0	£179.9k	£8.4m

Please note: The Interim Information (II) Settlement Run which is performed 5 Working Days after the Settlement Date will not be considered for this risk. The purpose of the II run is to facilitate the Credit Cover calculation, and therefore does not have an impact on trading charges.

Trading Disputes

As part of this assessment, we seek to understand the population at risk in the upcoming period, i.e. how many times will the underlying process occur where the risk can manifest.

The at risk population for this risk is the Supplier Volume Allocation (SVA). This could impact the processing of data for the Volume Allocation Run from a Data Aggregator in either the Half Hourly (HH) market or the Non-Half Hourly (NHH) market.

Data point considered

Errors in Settlement resulting in valid Trading Disputes are used to determine historic issues caused by the SVAA. In both 2016/17, and 2017/18 only a single Trading Dispute was upheld by the Trading Disputes Committee (TDC).

Market	2015/16	2016/17	2017/18
HH/NHH	0	1	1

Trading Dispute DA686, upheld by the Trading Disputes Committee in 2014/15 - Due to a manual error when performing the Post-Final Settlement Run in GSP Group _E, 1,250 Half Hourly Metering Systems were erroneously excluded for 41 Settlement Days – the materiality was £5,413,301.84

Forecast

Below are the key considerations and assumptions when forecasting the at risk population in the 2019/20 period:

- Following Trading Dispute DA686 an automated SVAA process for creating the DF standing data was introduced. ELEXON provides a validated csv file each month following a TDC meeting to the SVAA for loading.
- CP1484 - Implemented in the Nov-17 release, this CP introduced validation measures to reduce errors. Firstly, individual Data Aggregator (DA) data will be validated and checked for the plausibility of the consumption values. Secondly, it will ensure there is a complete set of DA data ready for the SVA run. Lastly, it will include checks on the results of runs.

SVAA default error

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From the population at risk, we need to estimate the proportion where the risk will manifest, i.e. the failure rate. To do this, we assess historical performance in the area and consider any upcoming changes that have the potential to impact future performance.

Only a subset all files defaulted will be due to a SVAA error. Commonly the result of a default would be due to erroneous data submitted, or missing data from a HHDA or NHHDA.

Data points considered

When assessing historical performance in the area, we considered:

- Single incident in 2018 caused following a planned system outage. A backlog of files were not processed in time when the SVAA system was restarted.

Market	2015/16	2016/17	2017/18
Incidents	0	0	1
Defaulted HHDA files SF - DF	0	0	13
Defaulted NHHDA files SF - DF	0	0	0
Error volume (MWh)	0	0	901

Impact

To estimate the impact of a risk we need to understand the days impacted and error volume on average per instance.

Average days impacted

Event	Lower	Middle	Upper
Trading Disputes	£0	£100k	£5.4m
SVAA default error	£0	£79.9k	£3.0m
Total	£0	£179.9k	£8.4m