

TRADING DISPUTES TECHNIQUE REVIEW

MEETING NAME	Performance Assurance Board
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Purpose of paper	For information
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Classification	Public
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Summary	This paper provides an update on the Trading Disputes technique review.
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1. Background

- 1.1 The Trading Disputes Performance Assurance Technique (PAT) was considered to be outside of the scope of the Performance Assurance Framework (PAF) review because it was found by the PAF Review Team to have no dependencies on other PATs.
- 1.2 It was recognised that the Trading Disputes PAT would require an independent review for the following reasons:
 - So that any current processes requiring improvement and refinement could be identified.
 - It is anticipated that future changes, which will be introduced by moving to market-wide Half Hourly Settlement, will have an impact on the Trading Disputes PAT due to the shorter Supplier Volume Allocation (SVA) Settlement timetable that is proposed.
- 1.3 The review will ensure that Trading Disputes processes are sufficient for the market-wide Half Hourly Settlement proposed changes.
- 1.4 The Trading Disputes technique corrects an average of £7.5M of error in Settlement per year (based on Trading Dispute corrections over the last three years). It is important to ensure that Trading Dispute processes run as efficiently as possible.

2. Scope of the review

- 2.1 In order to complete a comprehensive assessment of the Trading Disputes processes, the review will encompass five work streams, which are as follows:
 - Reviewing stakeholder feedback
 - Completing a lessons learned exercise for a Trading Dispute
 - Completing an internal review of Trading Disputes processes
 - Considering input from ELEXON's Foundation Programme
 - Considering the effect that market-wide Half Hourly Settlement will have on the Trading Disputes technique

The review will recommend any identified changes and improvements that can be made to Trading Disputes processes as short-term and long-term changes.

3. Progress to date

ELEXON has completed Stage One of the Trading Disputes review, and is currently undertaking planned activities in Stage Two. These activities are summarised below:

TRADING DISPUTES TECHNIQUE REVIEW

Stage One (28 October 2019 – 06 December 2019)

- ELEXON held initial internal discussions around the current Trading Disputes processes and identified where improvements could be made, both to current processes and future processes in relation to market-wide Half Hourly Settlement; and
- The suggested changes were collated and discussed with Trading Disputes Committee (TDC) members at a workshop in December 2019.

Stage Two (13 January 2019 – 28 February 2019)

- A Change Matrix will be completed to ensure that proposed changes are raised in order of priority;
- A Change Proposal (CP) will be raised to allow a self-service gateway to be used for the online management of Trading Disputes;
- Process mapping, illustrating the changes that were identified in Stage One of the review, will be finalised;
- ELEXON will commence the planned lessons learned exercise (to be completed in Stage Three);
- Exceptional circumstances guidance will be created and presented to the TDC for approval in March 2020. The guidance will aim to provide consistency around the use of exceptional circumstances; and
- ELEXON will create an external Expert Group to discuss the implementation of future changes

4. Stage One and Two identified changes

4.1 The table below shows the current status of the potential changes and improvements that have been identified in the Stage One and Two of the review:

Change description	Affected documentation	Status
Using a self-service gateway for the online management of Trading Disputes	BSCP11 Guidance notes	Pending implementation ¹
Providing consistency around the use of exceptional circumstances	Guidance notes	Pending implementation
Introducing a Trading Dispute self-assessment to be completed by the Raising Party	BSCP11 Guidance notes	Identified ²
Introducing a reduced Settlement Run timetable, post the introduction of market-wide Half Hourly Settlement	BSCP11 BSC Section W Guidance notes	Identified

¹ All work has been completed including discussions with the TDC. The change is pending implementation

² The change has been identified and discussed with the TDC. Further discussions are required and work on implementing the change has not yet begun

TRADING DISPUTES TECHNIQUE REVIEW

Communicating lessons learned exercises and best practices	Guidance notes	Identified
Providing information on Trading Disputes from the Trading Disputes Committee (TDC) to the Performance Assurance Board (PAB)	Guidance notes	Identified

5. Next steps and Future updates

- 5.1 The review will have a total of four stages. It is expected that further changes will be identified in the remaining stages of the review. It is anticipated that the review will be concluded in June 2020.
- 5.2 Future updates on the Trading Disputes review will be provided to the Performance Assurance Board (PAB) on a quarterly basis via the Quarterly Performance Assurance Report (QPAR).

6. Recommendations

- 6.1 We invite you to:
 - a) **NOTE** the Trading Disputes review update.

For more information, please contact:

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