

## CP1407

### About this document:

This is an Assessment Consultation document, which provides details of the background, solution, potential impacts and costs associated with CP1407 '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<sup>1</sup>.

#### What is the issue?

Upon a review of the current process, the following inefficiencies have been 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 in checking 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 checking data 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.

ELEXON raised CP1407 'Updates to current LLF audit templates' on 3 February 2014 to address this issue.

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<sup>1</sup> 'Production, Submission, Audit and Approval of Line Loss Factors'



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## 2. Solution

This CP proposes to create a set of compulsory templates with consistent formatting for the LDSOs to fill in. These templates would make use of the best technology to use 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 format;
- Site specific LLFs – design consistent template in excel for LDSOs to submit to enable quick review by ELEXON; and
- General review of BSCP documents – review to ensure the details of the LLF audit process is up to date and accurate.

As a result of these changes, there will now be 10 Appendices to BSCP128 instead of seven. CP1407 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 – draft redlined changes made;
- BSCP128 Appendix 4: Calculation Self Assessment Document (CSAD) for Host LDSOs and Embedded LDSOs that Mirror – draft redlined changes made;
- Proposed new Appendix in Excel format: BSCP128 Appendix 5: "CSAD 2.1 and 2.2 tables for all Host and Embedded Submissions";
- BSCP128 Appendix 5: CVA Long and Short Format data files to be renamed as Appendix 6;
- 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"; and
- Proposed new Appendix: "BSCP128 Appendix 10: Calculation Self-Assessment Document (CSAD) for mid-year LLF submissions".

It should be noted that if this CP was approved, then the BSC Baseline Statement would need to be amended and the Panel would need to approve the changes.



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CP1407 proposes to make the LLF audit process easier and quicker for ELEXON and LDSOs to complete, as well as removing the possibility of errors. The changes made would mitigate the inefficiencies identified by ensuring less copying and pasting, as well as manual checking and translation; all of which increase the risks of error. There would also be the benefit of keeping as much information as possible electronically to remove the need for lots of manual printing. The CP would also aim to simplify the submission as much as possible to reduce the risk that the audit is not 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 will require updates to the following documents with no system impacts:

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)		

#### Potential participant impacts and costs

We do not anticipate any participant impacts associated with CP1407.

## Question 2

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



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## Question 2a

How is your organisation impacted?

## Question 2b

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

## 4. Implementation Approach

CP1407 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?

## Question 4

Do you have any other comments?

### Attachments:

Attachment A – CP1407 Form

Attachment B – CP1407 – BSCP128 Redlining v0.1

Attachment C – CP1407 – BSCP128: Appendix 3 Redlining v0.1

Attachment D – CP1407 – BSCP128: Appendix 4 Redlining v0.1

Attachment E – CP1407 – BSCP128: Appendix 5 Redlining v0.1

Attachment F – CP1407 – BSCP128: Appendix 6 Redlining v0.1

Attachment G – CP1407 – BSCP128: Appendix 7 Redlining v0.1

Attachment H – CP1407 – BSCP128: Appendix 8 Redlining v0.1

Attachment I – CP1407 – BSCP128: Appendix 9 Redlining v0.1

Attachment J – CP1407 – BSCP128: Appendix 10 Redlining v0.1

### For more information, please contact:

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