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| Modification Proposal – BSCP40/03 | MP No: P329 <i>(mandatory by BSCCo)</i> |
| Title of Modification Proposal <i>(mandatory by originator):</i> Changes to REMIT inside information reporting | |
| Submission Date <i>(mandatory by originator):</i> 25 November 2015 | |
| Description of Proposed Modification <i>(mandatory by originator)</i> This Modification proposes to align the BSC and Balancing Mechanism Reporting Service (BMRS) with the Regulation on Wholesale Energy Markets Integrity and Transparency (REMIT) common schemas for inside information web feeds, required by the Agency for the Cooperation of Energy Regulators (ACER). To achieve this, the REMIT inside information data submitted by participants will be required to match the output requirements of ACER in accordance with the XML Schema Definitions (XSDs). This data will also be published as received from market participants on BMRS (via Market Operation Data Interface System (MODIS) or directly via the Elexon portal). BSC Parties will be ultimately responsible for both accuracy and timeliness of their REMIT messages. | |
| Description of Issue or Defect that Modification Proposal Seeks to Address <i>(mandatory by originator)</i> The REMIT (Regulation (EU) 1227/2011) came into force in December 2011. It is aimed at preventing market abuse in the wholesale energy markets. Modification P291 ‘REMIT Inside Information Reporting Platform for GB Electricity’ was implemented on 31 December 2014. This made the BMRS the common platform for publishing inside information on the electricity market in Great Britain (GB). The EU REMIT Implementing Regulation (Regulation (EU) 1348/2014) came into force in December 2014. It specifies the reporting of fundamental data and data relevant to the REMIT. The relevance to ELEXON is specifically Article 10 (1), which states “Market participants disclosing inside information on their website or service providers disclosing such information on market participants’ behalf shall provide web feeds to enable the Agency to collect these data efficiently”. ACER has set out its expectation for standardised web feeds within its REMIT Manual of Procedures on data reporting v3.0 along with the XSD for the data. ACER states: ‘The Agency will start systematically collecting inside information through web feeds on the basis of the standards and electronic formats described in this Manual as of 7 April 2016 and would expect market participants disclosing inside information and service providers disclosing such information on market participants’ behalf to report the information through web feeds in the | |

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| standards and electronic formats described in this Manual by 7 July 2016’. | |
| As the BMRS discloses REMIT inside information, ACER will expect the web feed and data reported to ACER from BMRS to comply with this. This Modification seeks to align the inside information on the BMRS to ACER’s XSD. | |
| Impact on Code <i>(optional by originator)</i> | |
| It is envisaged that this Modification will require changes to the following sections of the BSC: | |
| <ul style="list-style-type: none"> • Section Q ‘Balancing Mechanism Activities’ • Section V ‘Reporting’ • Section X Annex X-1 ‘General Glossary’ | |
| Impact on Core Industry Documents or System Operator-Transmission Owner Code <i>(optional by originator)</i> | |
| None identified. However, the European Transparency Regulation (ETR) – National Grid (NG)-Market Interface Specification is likely to be impacted by this. | |
| Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties <i>(optional by originator)</i> | |
| BMRS | |
| National Grid’s MODIS and BSC Parties’ REMIT systems that interface with BMRS will also be impacted, the extent of which will be explored as part of this modification. | |
| Impact on other Configurable Items <i>(optional by originator)</i> | |
| BMRA Service Description BMRA URS NETA Interface Definition and Design (IDD) Part 1 & 2 | |
| Justification for Proposed Modification with Reference to Applicable BSC Objectives <i>(mandatory by originator)</i> | |
| This Modification has been submitted in order to ensure that the BSC and BSC Systems are aligned with the REMIT common schemas for inside information web feeds required by ACER. | |
| In approving P291, the Authority stated in its decision letter that it considered that P291 better facilitated Applicable BSC Objectives (c), (d) and (b). The Authority also noted that it was granted specific powers to enforce the REMIT in June 2013, and that it expected participants to fulfil their REMIT obligations and comply with their obligations to disclose inside information. | |
| P291 could not be justified under Applicable BSC Objective (e) , as there was no legally | |

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| <p>binding requirement for the BSC to deliver the national platform. However, once the BSC became the means for delivering the national platform (that is, with approval of P291), any applicable regulations relating to REMIT are now relevant and legally binding. As such there is a justification against Objective (e) so as to meet Article 10(1) of the EU REMIT Implementing Regulation.</p> <p>If the BSC reporting platform for REMIT is not aligned with the requirements for central reporting to ACER then the platform is not fully delivering an inside information reporting platform for GB in manner required by ACER. This could undermine the use of the BSC platform as a central reporting platform for participants.</p> <p>Because this Modification would align the BSC reporting with the REMIT requirements, and therefore maintain an incentive for participants to use it as a central reporting platform, it would better facilitate Applicable BSC Objectives (c), (d) and (b) for the same reasons as P291:</p> <ul style="list-style-type: none"> • Objective (c) - increased transparency may enable market participants to make more informed decisions, and the new platform could particularly benefit participants with fewer resources, which is likely to promote increased market participation and thus increase effective competition in the generation and supply of electricity as well as in its sale and purchase. • Objective (d) - wide use of the platform may mean market participants are better informed and hence balance their positions more effectively, which may lead to more efficient balancing of the system by NGET. • Objective (b) - if market participants are able to make more informed decisions due to increased transparency, this in turn may result in the more efficient, economic and co-ordinated operation of the national electricity transmission system. <p>In addition, it would be more efficient to change the existing platform than to establish a different reporting platform to meet the latest REMIT requirements. Therefore this Modification is the most efficient way for the Authority to enforce the REMIT, and this efficiency benefit may also represent an additional justification against Applicable BSC Objective (d) on the grounds that aligning the BMRS with ACER's requirements would promote efficiency in the implementation of the balancing and settlement arrangements.</p> | |
| <p>Is there a likely material environmental impact? <i>(optional by originator)</i></p> <p>None identified</p> | |
| <p>Urgency Recommended: No <i>(delete as appropriate) (optional by originator)</i></p> | |

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| Justification for Urgency Recommendation (mandatory by originator if recommending progression as an Urgent Modification Proposal) | |
| N/A | |
| Self-Governance Recommended: No (delete as appropriate) (optional by originator) | |
| Justification for Self-Governance Recommendation (mandatory by originator if recommending progression as Self-Governance Modification Proposal) | |
| N/A | |
| Fast Track Self-Governance Recommended: No (delete as appropriate) (optional by originator) | |
| Justification for Fast Track Self-Governance Recommendation (mandatory by originator if recommending progression as Fast Track Self-Governance Modification Proposal) | |
| N/A | |
| Should this Modification Proposal be considered exempt from any ongoing Significant Code Reviews? (optional by originator in order to assist the Panel decide whether a Modification Proposal should undergo a SCR Suitability Assessment) | |
| No relevant ongoing SCRs. | |
| Details of Proposer: | |
| <i>Name</i> ... Francesca Scucces | |
| <i>Organisation</i> National Grid Electricity Transmission plc ... | |
| <i>Telephone Number</i> 01926 653632 | |
| <i>Email Address</i> ... francesca.scucces@nationalgrid.com | |
| Details of Proposer's Representative: | |
| <i>Name</i> Francesca Scucces | |
| <i>Organisation</i> ... National Grid Electricity Transmission plc | |
| <i>Telephone Number</i> 01926 653632 | |
| <i>Email address</i> francesca.scucces@nationalgrid.com | |

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| Modification Proposal – BSCP40/03 | MP No: P329 <i>(mandatory by BSCCo)</i> |
| Details of Representative's Alternate: | |
| <i>Name</i> <i>Alex Haffner</i> | |
| <i>Organisation</i> <i>National Grid Electricity Transmission plc</i> | |
| <i>Telephone Number</i> <i>01926 655838</i> | |
| <i>Email address</i> <i>alex.haffner@nationalgrid.com</i> | |
| Attachments: No <i>(delete as appropriate) (mandatory by originator)</i> | |