

Phase

Initial Written Assessment

Definition Procedure

Assessment Procedure

Report Phase

Implementation

P338 'Consequential changes to P272 legal text'

This Modification proposes to make consequential changes to the approved legal text for P272 'Mandatory Half Hourly Settlement for Profile Classes 5-8', to resolve conflicts that exist between it and certain approved Modification.

The Fast Track Self-Governance objection period for P338 closes:

5pm on Friday 6 May 2016

If no objections are notified by this time, the Panel's decision is final.



The BSC Panel has **approved** P338 as a Fast Track Self-Governance Modification

This Modification is not expected to impact any participants.

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About This Document

This is the P338 Fast Track Self-Governance Modification Report, which ELEXON has submitted to the Authority, the Transmission Company and all Balancing Settlement Code (BSC) Parties.

P338 is a Fast Track Self-Governance Modification, so it does not go to the Authority for decision. The BSC Panel has approved P338 for implementation on 1 April 2017.

In accordance with BSC Section F7.3, Parties have until 6 May 2016 to object to the Panel's decision, stating why they do not believe P338 meets the Fast-Track Self-Governance criteria. If no objection is notified by this time, the Panel's decision is final.

There are two parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, benefits/drawbacks and implementation approach. It also summarises the Panel's key views on the Modification.
- Attachment A contains the approved redlined changes to the BSC for P338.

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Why Change?

Since the approval of [P272 'Mandatory Half Hourly Settlement for Profile Classes 5-8'](#), two other Modifications, which amended the requirements of P272, have been approved. We have identified some potential conflicts and overwriting to the approved legal text of P272.

Solution

P338 proposes to make consequential changes to the approved text of P272 to resolve conflicts that exist between it and certain approved Modifications.

Impacts & Costs

P327 is a Code-only change that will not impact any BSC Parties, Party Agents or BSC Agents.

Implementation

P338 will be implemented on 1 April 2017 as a Standalone BSC System Release, in parallel with P272 and P320.

Decision

The Panel has unanimously agreed to raise and approve P338 as a Fast Track Self-Governance Modification.



Background

Smartest Energy raised P727 on 20 May 2011, which proposes to make Half Hourly (HH) Settlement mandatory for all Metering Systems within Profile Classes (PCs) 5-8 (where capable metering has been installed). The Authority approved the P272 Alternative Modification on 29 October 2014 for implementation on 1 April 2016.

As part of its recommendation that the [P322 'Alternative Revised Implementation Arrangements for Mandatory Half Hourly Settlement for Profile Classes 5-8'](#) Alternative Modification should be approved, the Panel re-issued its request for a 12-month extension to the Implementation Date on 12 June 2015. Following its decision to approve the P322 Alternative Modification, the Authority approved a 12-month extension to the P272 Implementation Date on 24 June 2015. Therefore, the P272 Implementation Date is 1 April 2017.

What is the issue?

Since the approval of P272 and the amendment to the Implementation Date to 1 April 2017, two separate but related Modifications have been approved:

- P322; and
- [P320 'Reporting on Profile Classes 5 – 8 Metering Systems after the implementation of P272'](#).

One of these has been implemented and the other is to be implemented at the same time as P272. Both of these Modifications amended the requirements of P272. As P272, being implemented at a later date than implemented P322 would overwrite this Modification, there is a conflict that would bring into effect a backing out of P322. Furthermore, as P320 is already backing out aspects of P272, this Modification also includes this approved change for clarity.

What is the full P272 solution

Requirement 1: All HH capable Metering Systems in Profile Classes 5-8 will be settled HH by 1 April 2016;

Requirement 2: Suppliers will submit their plan for the transition to HH to the Performance Assurance Administrator (PAA);

Requirement 3: HH elective Metering Systems will not be able to revert to Non Half Hourly (NHH);

Requirement 4: 99% of energy will be settled on actual data at First Reconciliation (R1);

Requirement 5: The profiles for PCs 5-8 will be 'frozen';

Requirement 6: Performance Assurance Reporting and Monitoring System (PARMS) Serial SP04 will be expanded to include advanced Meters being settled NHH after 1 April 2016;

Requirement 7: A new PARMS Serial will be created to monitor sites where an advanced Meter has not been installed.

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Approved solution

This Modification proposes to make the following changes to the approved P272 legal text such that:

- The amendments to **Section L2.2.2** introduced by P272 are replaced by the approved legal text implemented by P322 of Section L. No changes are needed to Section L2.2.2 to implement this.
- The amendments to **Section L2.3.3** introduced by P272 are replaced by the approved legal text implemented by P322 of Section L. No changes are needed to Section L2.3.3 to implement this.
- New **Section L2.6.1A** introduced by P272 is replaced by the approved legal text implemented by P322 of Section L. No changes are needed to Sections L2.6.1A, L2.6.1B or L2.6.2 to implement this.
- The amendments to **Section S-1 2.2.8** introduced by P272 are replaced by the approved legal text included in P320. No changes are needed to Section S-1 2.2.8 to implement this.
- Section **S-1 2.2.8A** introduced by P272 is deleted as set out in P320. No changes are needed to Section S-1 2.2 to implement this.
- New Section **L2.4.1A** and the amendments to L2.4.2 introduced by P272 are replaced by the approved legal text implemented by P320 of Section S-1. No changes are needed to Sections L2.4.1 or L2.4.2 to implement this.
- The amendments to **Section X-1** introduced by P272 are replaced by the approved legal text implemented by P322 of Section X-1. No changes are needed to Section X-1 to implement this.

Applicable BSC Objectives

We consider that this Modification would better facilitate **Applicable BSC Objective (d)** as addressing the conflicts and unintended consequences of overwriting approved Modifications would ensure the BSC is delivered in the most effective and efficient manner.

What are the Applicable BSC Objectives?

(a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence

(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System

(c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity

(d) Promoting efficiency in the implementation of the balancing and settlement arrangements

(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]

(f) Implementing and administering the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation

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Central impacts and costs

P338 will be a document-only change to update four sections of the BSC. There are no system impacts and no impact on BSC Agents.

The central implementation costs will be approximately £240 (one ELEXON man day) to implement the relevant document changes.

P338 impacts

Impact on Code	
Code Section	Potential Impact
Section L	Changes will be required to deliver this Modification. <i>The proposed changes can be found in Attachment A</i>
Section S	
Section S, Annex S-1	
Section X, Annex X-1	

Participant impacts and costs

This Modification is a Code-only change to clarify the changes that will be introduced by P272, as amended by P322 and P320. It will not have any impacts on any industry participants.

5 Implementation

Implementation Date

The Panel has approved an Implementation Date for P338 of **1 April 2017**, if no objections are notified.

When would P338 be implemented?

Following the Panel's unanimous agreement to progress and approve P338 as a Fast Track Self Governance Modification, the Panel's decision along with this Fast Track Self-Governance Modification report has been published and issued to the Authority, Transmission Company and each Party in accordance with BSC Section F7.2.2.

A 15 Working Day objection window will commence from this notification, closing on 6 May 2016. If no objections are raised in this time, P338 would then be implemented on **1 April 2017**.



Panel's views on the Modification

The proposed changes to the BSC under P338 are housekeeping and administrative changes only, which are required to ensure that P272 is implemented successfully and as intended.

The Panel unanimously agreed that the proposed changes to the BSC in Attachment A delivered the P338 solution. It also agreed with the proposed Implementation Date of 1 April 2017, alongside P272 and P320.

Panel's views on Fast Track

The Panel unanimously agreed that P327 would meet the Fast Track Self-Governance Criteria and so should be progressed as a Fast Track Modification.

Panel's views on the Applicable BSC Objectives

The Panel unanimously agreed that P327 would better facilitate Applicable BSC Objective (d) for the reasons given in Section 3, and so unanimously approved P338.

What is the Fast Track Self-Governance Criteria?

A Modification Proposal which:

- (i) if implemented would satisfy the Self-Governance Criteria; and
- (ii) falls within the scope of Section F2.1.1(d)(iv) (without limiting the right of any person specified in paragraph 2.1.1 to propose a Fast Track Self-Governance Modification Proposal) and which is required to correct an error in the Code or as a result of a factual change, including but not limited to:
 - (a) updating names or addresses listed in the Code;
 - (b) correcting minor typographical errors;
 - (c) correcting formatting and consistency errors, such as paragraph numbering; or
 - (d) updating out of date references to other documents or paragraphs.

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What is the Self-Governance Criteria?

A Modification that, if implemented:

(a) is unlikely to have a material effect on:
(i) existing or future electricity consumers; and
(ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution, or supply of electricity; and
(iii) the operation of the national electricity transmission system; and
(iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and
(v) the Code's governance procedures or modification procedures; and

(b) is unlikely to discriminate between different classes of Parties.

The BSC Panel has unanimously agreed:

- That P338 should be progressed as a Fast Track Self-Governance Modification;
- That P338 should be **approved**;
- An Implementation Date for P338 of **1 April 2017** as a Standalone Release, if no objections are notified; and
- The BSC legal text for P338.

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Appendix 1: Glossary & References

Glossary of defined terms

Acronyms and other defined terms used in this document are listed in the table below.

Acronym	
Acronym	Definition
BSC	Balancing and Settlement Code (<i>industry Code</i>)
HH	Half Hourly
NHH	Non Half Hourly
PAA	Performance Assurance Administrator
PARMS	Performance Assurance Reporting and Monitoring System
PCs	Profile Classes
R1	First Reconciliation

External links

A summary of all hyperlinks used in this document are listed in the table below.

All external documents and URL links listed are correct as of the date of this document.

External Links		
Page(s)	Description	URL
3	P272 page on ELEXON website	https://www.elexon.co.uk/mod-proposal/p272-mandatory-half-hourly-settlement-for-profile-classes-5-8/
4	P322 page on ELEXON website	https://www.elexon.co.uk/mod-proposal/p322/
4	P320 page on ELEXON website	https://www.elexon.co.uk/mod-proposal/p320/

