

MINUTES

MEETING NAME Imbalance Settlement Group

Meeting number 199

Date of meeting 25 October 2017

Venue ELEXON Ltd

Classification Public

ATTENDEES AND APOLOGIES

Attendees	Nicholas Rubin	NR	Chairman
	Chris Stock	CS	Technical Secretary
	Tom Edwards	TE	Panel Sponsor (via Teleconference)
	Greg Heavens	GH	Transmission Company Member
	Martin Mate	MM	Industry Member (via Teleconference)
	Gary Henderson	GH	Industry Member (via Teleconference)
	Walter Hood	WH	Industry Member (via Teleconference)
	Olaf Islei	OI	Industry Member (via Teleconference)
	Aaron Seamer	AS	Industry Member (via Teleconference)
	Andy Colley	AC	Industry Member (via Teleconference)
	Phil Hewitt	PH	Industry Member (via Teleconference)
	Mike Smith	MS	ELEXON (Part meeting)
	Cal Lynn	CL	ELEXON (Part meeting)
	Beth Procter	BP	ELEXON (Part meeting)
	Beth Brown	BB	ELEXON (Part meeting)
	Emma Tribe	ET	ELEXON (Part meeting)
	Apologies	Lisa Waters	LW
Peter Stanley		PS	Executive Sponsor
Dennis Timmins		DT	Industry Member

OPEN SESSION – DECISION PAPERS

1. Metering Dispensation D/477 – Voltage Transformer standard for CoP1 – ISG199/01

- 1.1 ELEXON invited the ISG to approve generic Metering Dispensation application D/477 on a lifetime basis, and noted the plan to raise a Change Proposal (CP) that would update the Codes of Practice (CoPs) and supersede the dispensation.
- 1.2 An ISG Member noted that there were some Metering Dispensation Review Group (MDRG) members that did not support extending the scope of the Metering Dispensation to include the new standards for inductive current and combined inductive current and voltage transformers, and asked ELEXON to expand on their concerns. ELEXON noted that the MDRG Members in question were concerned there might be new technologies included in these two inductive measurement transformer standards; this concern was most likely caused by the fact the MDRG Members concerned did not have full access to the standards and may

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not have been able to fully review the content of the newer standards. An ISG Member agreed that they could not gain full access to the new standards without paying a fee, and asked how in a CP ELEXON would display and publish the full new standards, as they would be subject to copyright protection. ELEXON noted that when the CP is raised ELEXON would host a meeting and discuss the standards in a presentation that all could view without actually distributing them.

- 1.3 An ISG Member noted that the recommendations for this Metering Dispensation imply that it is guaranteed that the Codes of Practice (CoPs) will be updated. ELEXON responded that essentially yes this would have to happen. The new international inductive measurement transformer standards (produced by the International Electro-technical Commission (IEC)) were also approved by the European Committee for Electro-technical Standardization (CENELEC) and then the British Standards Institution (BSI), therefore replacing the old inductive measurement transformer standards. It would be difficult to get manufacturers to produce Metering Equipment to the older inductive measurement transformer standards, so the CoPs will have to be updated.
- 1.4 An ISG Member asked why if there were new inductive measurement transformer standards a CP wasn't raised sooner, and was there a process in place to monitor this. ELEXON responded that it was an oversight and that ELEXON are not normally involved in the development process regarding metering related standards, relying on Industry to inform it of updates to these standards. To mitigate the risk of missing future changes, ELEXON has now signed up to the IEC and BSI email distribution list to have sight on future changes to metering related standards. An ISG Member praised this proactive step, and suggested establishing links with the Association Meter Operators that could give further insight into upcoming changes, and to consider how future changes might be captured on the [BSC Systems roadmap](#). ELEXON agreed and noted that the IEC website stated the new inductive measurement transformer standards would be reviewed in 2020, so they would remain the same at least up until that point.
- 1.5 An ISG Member asked if there was an issue in the CP process that caused the CoPs not to be updated (e.g. the CP workgroup identified an issue with incorporating the newer standard or the CP was not approved), what would be the consequences for this Metering Dispensation. That is, would it remain correct or relevant? ELEXON noted that ISG has the power to withdraw or amend a Metering Dispensation it approves if it believes at any time that relevant circumstances have changed. . To that end, it would be possible to add a condition to this Metering Dispensation, e.g. 'subject to change in CoPs...'. An ISG Member noted that the Scottish Power Metering Equipment didn't meet the current CoP requirements, however if and when the CoPs were updated to reflect the new inductive measurement transformer standards, the Metering Equipment would be compliant, and suggested a condition that the Metering Dispensation be limited to until the CoPs were updated. Another ISG Member added that the Metering Dispensation shouldn't be temporary as Scottish Power bought the Metering Equipment according to the new inductive measurement transformer standards and the need for a Metering Dispensation was a result of the CoPs being out of date, i.e. not reflective of those new inductive measurement transformer standards, so they shouldn't be left with stranded assets under any circumstances. ELEXON agreed and noted that the Metering Dispensation would only be used for Metering Equipment that was manufactured, bought and tested to the new inductive measurement transformer standards after they were published and then registered for Settlements before the CoPs were updated. The Metering Dispensation itself would be a lifetime Metering Dispensation, as this Metering Equipment would still need to be covered because they would be registered to an old version of the CoPs and the requirement in the BSC is to comply with the CoP in use at the time of registration. When the CP is raised to update the CoPs, the Metering Dispensation would no longer be required to be used for newly registered Metering Equipment tested to these new inductive measurement transformer standards.
- 1.6 The ISG Chair clarified that the Metering Dispensation would be permanent but limited in effect; only applicable to Metering Equipment up until the CoPs are updated. D/477 would however still be used on already installed Metering Equipment, and would still be noted in related CVA Metering Systems' Meter Technical Details (MTDs).

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- 1.7 An ISG Member asked when this CP would be raised and what possible release date it would have. ELEXON noted that the red-lining had been drafted and it intended to hold a workgroup in November to discuss the new inductive measurement transformer standards in detail and ensure there was no impact on Settlement. From this point ELEXON would begin the CP process with a potential implementation date of June 2018. An ISG Member noted that this Metering Dispensation would effectively make changing the CoPs a formality and therefore the CP would be a low priority. The ISG Member therefore suggested the November 2018 release as an alternative, so as not to interfere with the current CP relating to CoP4, [CP1496 - 'Introduction of two data flows for the Commissioning process \(implemented with P283\) for Half Hourly \(HH\) Supplier Volume Allocation \(SVA\) Current Transformer \(CT\) operated Metering Systems'](#). ELEXON agreed to discuss a November 2018 release date with the Change Team.
- 1.8 An ISG Member pointed out that the last three bullet points of the ISG recommendations in the ISG paper imply that if Metering Equipment is tested to one of the new inductive measurement transformer standards then it doesn't need to comply with the entirety of CoP4. CoP4 contains more than just the inductive measurement transformer standards and so this statement would invalidate those aspects. The ISG Member suggested changing the wording to reflect this. ELEXON agreed that the recommendations will be updated to be more specific that it is the inductive measurement transformer standards that the Metering Equipment has to comply with rather than CoP4, and that the relevant inductive measurement transformer standard mentioned in CoP4 would need to be referenced in each of the last three bullets. These changes to the recommendations would also be reflected in the SVG paper recommendations.
- 1.9 The ISG:
- a) **NOTED** ELEXON will progress a Change Proposal to update the inductive measurement transformer standards, where applicable, in the CoPs to the latest IEC (and/or BS EN) standards;
 - b) **NOTED** ELEXON will present a similar paper to the SVG at its 31 October 2017 meeting with a recommendation, which reflect the specific comments and recommendations approved by the ISG, that the SVG approve D/477 on lifetime basis for all three inductive measurement transformer standards, where applicable, against CoPs 3, 4, 5, 8, 9 and 10; and
 - c) **APPROVED** generic Metering Dispensation D/477 on a lifetime basis to allow the use of:
 - i) inductive VTs tested to IEC (or BS EN) 61869-3 registered in Settlement against relevant versions of CoPs 1, 2 or 3 from July 2011 and prior to CoPs 1, 2 and 3 being updated to refer to IEC (and/or BS EN) 61869-3;
 - ii) inductive CTs tested to IEC (or BS EN) 61869-2 registered in Settlement against relevant versions of CoPs 1, 2 or 3 from September 2012 and prior to CoPs 1, 2 and 3 being updated to refer to IEC (and/or BS EN) 61869-2;
 - iii) combined inductive CT/VTs tested to IEC (or BS EN) 61869-4 registered in Settlement against relevant versions of CoPs 1, 2 or 3 from November 2013 and prior to CoPs 1, 2 and 3 being updated to refer to IEC (and/or BS EN) 61869-4;
 - iv) inductive VTs tested to IEC (or BS EN) 61869-3 to not comply with BS EN 60044-2 in versions of CoP4 from July 2011 and prior to CoP4 being updated to refer to IEC (and/or BS EN) 61869-3;
 - v) inductive CTs tested to IEC (or BS EN) 61869-2 to not comply with BS EN 60044-1 in versions of CoP4 from September 2012 and prior to CoP4 being updated to refer to IEC (and/or BS EN) 61869-2; and
 - d) Combined inductive CT/VTs tested to IEC (or BS EN) 61869-4 to not comply with BS EN 60044-3 in versions of CoP4 from November 2013 and prior to CoP4 being updated to refer to IEC (and/or BS EN) 61869-4.

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2. Metering Dispensation D/479 – Connah’s Quay extension to D/473 – ISG199/02

- 2.1 Uniper UK applied for a lifetime Metering Dispensation (D/479) from Code of Practice (CoP) 1. The applicant currently has a temporary Metering Dispensation (D/473) from CoP 1 for the use of a capacitor type voltage transformer (CVT) on the blue phase of Module 2 at Connah’s Quay Power Station. D/473 is subject to annual testing being carried out on the CVT. This application (D/479) is a request for a lifetime extension to D/473 which is due to expire on 31 December 2020 and proposed to extend the testing regime to every three years. ELEXON invited the ISG to approve the Metering Dispensation on a temporary basis of 10 years.
- 2.2 An ISG Member noted that this site already had a Metering Dispensation (D/473) set to expire in 2020, and asked if it would be possible to simply alter the conditions of that Metering Dispensation instead of creating a new one. ELEXON noted it could be amended but, because a new reference number had been raised, from an administrative point of view, it would be easier to allow D/473 to expire naturally or be withdrawn by the ISG or applicant (as is expected because the Registrant cannot fulfil the annual testing condition) and for a new Metering Dispensation to supersede it. D/473 has a condition to annually test the CVT and Uniper UK have stated that they cannot achieve this, so in November 2017, Uniper would fail the condition and the ISG could then withdraw D/473. Dispensations can run concurrently, so upon ISG approval, D/479 would be active alongside D/473 until D/473 ceased to have effect.
- 2.3 An ISG Member asked if the applicant had considered using a compliant VT in order to avoid the cost of testing and outages. ELEXON responded that they had, however the new compliant VT it purchased is five meters tall, and the existing space for the VT is only three metres. To use a compliant CVT would not only cost the price of the VT but the price of installation, which Uniper deemed more expensive and inconvenient than the testing and outages, potentially impacting the financial viability of the power station. An ISG Member noted that there had to be a balance between what was practical and what was compliant; if this were built from scratch ISG wouldn’t accept this. The ISG Member suggested revenue from operating, e.g. participation in the Capacity Market, would mitigate the extra installation costs.
- 2.4 The ISG Chair noted that testing every three years on a 10 year basis would only produce three sets of results, and asked if this was sufficient to determine whether any drift was linear or non-linear. ELEXON responded that Uniper had already performed testing three times and so far appeared to demonstrate linear progression. For the three tests in the 10 years ELEXON would monitor for a significant change in the trend. The ISG Chair asked what would be considered significant in terms of deviation in accuracy. The ISG Member noted that there had been 0.06% drift over five years. With the CoP 1 total accuracy of 0.5%, the ISG Member suggested that a drift of 0.2-0.3% could be considered significant.
- 2.5 ELEXON noted that the total accuracy in CoP1 referred to the Metering System as a whole, and for this Metering System, the CVT drift was already compensated for, so the total Metering System had accuracy very close to 0%. An ISG Member asked which set of CVT drift data the compensation was using. ELEXON noted that they were using the latest test data taken from the test in 2016 to compensate the Metering System. The attachments provided with the paper (ISG199/02) included the CVT test data, showing the CVT drift over time, and the CoP4 periodic test, which showed the total accuracy of the Metering System in September 2017. An ISG Member noted concern that this compensation was based on potentially unstable data, even if currently it appeared to be linear drift. ELEXON noted that on average there was a 0.012% drift per annum, with a current CVT error of 0.09%, so a drift of anything other than 0.012% per year would not be linear however, we wouldn’t know the drift until the next test in 2019. In light of the challenge of defining how to monitor and determine if any drift in accuracy was ‘significant’, an ISG Member noted that this may be challenging to achieve effectively over 10 years. Instead they suggested the Metering Dispensation be granted on a three year basis, to coincide with the next planned outage, so tests can be completed and further analysis could be presented to ISG for consideration as part of a possible application to extend the Metering Dispensation.

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- 2.6 The ISG Chair noted that that there appeared to be two possible approaches; the first involved clarifying the nature of the existing recommendation for a 10 year Metering Dispensation, altering the conditions around the testing requirements and providing clarity on significant drift, with the implication that the Metering Dispensation would be revoked if the CVT had a significant drift, for example 0.1%. The second approach was a two year Metering Dispensation, ending after the next outage in 2019, so that ISG could reconsider when more data was available. The ISG Chair asked for the ISG to confirm which approach was preferable. All but one ISG Member were happy to proceed with the two year dispensation approach. The ISG Member who did not agree noted concern that after two years if there had been no drift the ISG would go through the same process and come to the same conclusion, and if it had drifted the ISG would do the same thing it would have done if it had drifted on the 10 year Metering Dispensation. The ISG Chair noted that with the two year Metering Dispensation there was the potential for a repetition of this conclusion, however the two year approach also gave ISG more control rather than being tied to a set of conditions that are subject to testing and determining what is 'significant' drift.
- 2.7 An ISG Member asked if ELEXON knew the planned outage schedule of this site. ELEXON responded not precisely. The ISG Member suggested making a condition to set a specific date for the outage. ELEXON disagreed, noting that outage dates often changed, and setting a specific date would be too restrictive. The ISG Chair also noted that if the ISG proceeded with the three year Metering Dispensation with the knowledge that it would only be further extended with sufficient evidence, then it would be in the interest of Uniper UK to have performed a test before the Metering Dispensation expired.
- 2.8 ELEXON noted that the last test was performed in mid-2016, so, allowing for the results to be analysed for the test proposed in 2019 and a paper to be created, a Metering Dispensation ending in December 2019 would be appropriate. ELEXON will alter the conditions to say the testing should be performed no later than the end of 2019 and the results must show the CVT remains within the CoP1 limits for a class 0.2 inductive voltage transformer, and that the results will be provided to the ISG for review as part of a future Metering Dispensation.
- 2.9 The ISG:
- a) **APPROVED** Metering Dispensation D/479 until 31 December 2019 subject to the following conditions:
 - i) the CVT is tested no later than the end of 2019 and the test results should be provided to ELEXON. These test results must show that the CVT accuracy remains within the limits described in CoP1 for a class 0.2 inductive voltage transformer;
 - ii) the overall accuracy of the Metering System is tested no later than the end of 2019 and the test results should be provided to ELEXON. These test results must show that the Metering System remains within the limits described in CoP1; and
 - iii) if a voltage imbalance alarm initiates that, after an initial investigation is determined to be due to the CVT rather than secondary wiring or the Meter, then an accuracy test of the CVT should be carried out as soon as possible, using best endeavours, regardless of existing planned maintenance outages, and the test results provided to ELEXON which must show that the CVT accuracy remains within the limits described in CoP1 for a class 0.2 inductive voltage transformer.

OPEN SESSION – INFORMATION PAPER

3. **CP1496 'Introduction of two data flows for the Commissioning process (implemented with P283) for Half Hourly (HH) Supplier Volume Allocation (SVA) Current Transformer (CT) operated Metering Systems' – ISG199/03**

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- 3.1 ELEXON proposed changes to the Data Transfer Catalogue (DTC) to introduce two new data flows to support the Metering System commissioning process. The new data flows would allow Licensed Distribution System Operators (LDSOs), Suppliers and Meter Operator Agents (MOAs) the ability to exchange information using the Data Transfer Network. [CP1496](#) will include these two data flows in processes described in Balancing and Settlement Code Procedure 514 ([BSCP514](#)) Subsidiary Documents.
- 3.2 An ISG Member proposed two minor amendments to the paper. The first was in Section 4 'Implementation Approach', to the sentence 'A decision on whether to approve DTC CP 3522 is expected in December 2017 for implementation on 28 June 2018'. This did not line up with the date the CP would be voted on at the MRA Development Board (MDB), which is scheduled for 30 November 2017. The second amendment related to Appendix 1: Glossary & References under the heading 'DTC data flows and data items', the paper mentions 'DTC CP 3352', where the correct code was 'DTC CP 3522'. ELEXON agreed to amend its proposal to reflect the ISG Member's observations.
- 3.3 An ISG Member noted that this CP related only to SVA processes and timescales, and asked if the CVA timescales would be looked into. ELEXON responded that they were not proposing to alter the CVA timescales. When [CP1458 'Introduction of timescales for the P283 Commissioning process for SVA CT operated Metering Systems'](#) was first implemented on 3 November 2016, ELEXON focused on SVA because there were no timescales whatsoever with respect of when Commissioning should be done. Whereas with CVA there were already timescales existing for Commissioning within the proving test process and the notification to CDCA of complete Commissioning, therefore no change is required. ELEXON noted that the change to Code of Practice 4 would affect CVA, specifically in the obligation around who will maintain the records, however the effect would be limited to this.
- 3.4 An ISG Member asked if CP1496, was being progressed in line with [CP1495 'Introduction of a rejection response dataflow for a D0170 'Request for Meter System Related Details' request from the Meter Operator Agent to the Licensed Distribution System Operator where a D0215 'Provision of Site Technical Details' response is required'](#) and [CP1497 'Introduction of data flows for Half Hourly Meter Operator Agents to pass on Commissioning information when there is a Change of Agent'](#), and in particular whether all three CPs would be sent out in the same CPC batch. ELEXON responded that the three CPs would be progressed in line together with all three being sent out for industry consultation on 6 November 2017.
- 3.5 The ISG:
- NOTED** that CP1496 has been raised;
 - NOTED** the proposed progression timetable for CP1496;
 - PROVIDED** comments for inclusion in the CP Consultation ; and
 - NOTED** that ELEXON will also present CP1496 to the SVG for initial comment on 31 October 2017.

OPEN SESSION – VERBAL UPDATES

4. Review of Performance Assurance Framework – update and opportunity – Verbal

At the request of the Performance Assurance Board (PAB), ELEXON is currently undertaking a review of the Performance Assurance Framework (PAF) and provided a verbal update on its current progress. The key aims of this review are to improve engagement with Performance Assurance Parties, ensure the delivery of efficient, effective and economic assurance to the Panel, PAB and the wider electricity industry, and enable the Performance Assurance Administrator (PAA) to deliver a valued and trusted assurance service to BSC

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Parties under the strategic and tactical guidance of the BSC Panel and PAB. Key points of focus include how the PAF accounts for smart metering, alternative business models, CVA risk, improving the measurability of Settlement error and the mitigating effect of assurance activities.

- 4.1 Further to the PAB's request, ISG Members and Alternates were invited to join the PAB sub-group that has been established to work with ELEXON on the PAF Review deliverables. The sub-group will review in detail the reports and recommendations of the project, in advance of the main PAB committee in order to provide more in-depth challenge and comment before the PAB is asked to approve the proposals. ISG members and alternates were asked to contact the PAF Review team if they are interested in joining the group. ELEXON noted that any ISG Members that are interested in the PAF Review can visit the [PAF Review webpage](#), which provides the latest updates and contact information for the team.
- 4.2 An ISG Member commended the focus on CVA Arrangements, as they often get overlooked, most likely due to all CVA processes by default being considered high risk and so are not given the same level of scrutiny as SVA processes.
- 4.3 The ISG Member asked how the PAF Review would interact with the Significant Code Review (SCR) on Mandatory Half-Hourly Settlement (HHS), specifically any potential operating models that may come out of it, as they could potentially change the risks and the way the risks are processed. ELEXON responded that they were aware of this issue and had already added it to their project management risk log, although it had only so far been briefly discussed. The initial thought is that there would still be settlement risks with or without the move to HHS, and the PAF design that has been created is flexible enough to scale appropriately to any change even if quite significant. The general approach to assurance framework wouldn't need to change, however the risks themselves could change significantly.

The ISG:

- a) **NOTED** the update.

OPEN SESSION – TABLED ITEMS

5. System Price Analysis Report – ISG199/04

- 5.1 The SPAR provided an overview of the calculation of System Prices in the last month.

The ISG:

- a) **NOTED** the report

6. BSC Operations Headline Report – 271/02

- 6.1 The BSC Operations Headline Report provides an overview of the operations of the BSC for September 2017.

The ISG:

- a) **NOTED** the report.

7. Change Report – 271/03

This report presents a comprehensive monthly overview of the changes in the BSC Change Process.

The ISG:

- a) **NOTED** the report.

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OPEN SESSION – OTHER BUSINESS

8. Panel Update

- 8.1 The Panel Sponsor provided an update to the ISG from the discussions at [Panel 271](#), and noted several items that were relevant to ISG:
- 8.2 Ofgem presented an update on its Switching Programme, including a summary of the aims of the programme, upcoming activity and progress to date
- 8.3 It was noted that Ofgem had received a request to launch a Judicial Review against CMP264/265. This has the potential to impact Modifications [P348 'Provision of gross BM Unit data for TNUoS charging'](#) and [P349 'Facilitating Embedded Generation Triad Avoidance Standstill'](#) which are both associated with CMP264/265. ELEXON confirmed that currently, it was still progressing P348 and P349 as per the agreed implementation timeline. Ofgem noted that its decision against CMP264/265, as well as its decision on P348 and P449, still stood. Should the JR be launched, its outcome would be expected in early to mid-2018. Ofgem would reassess and update its position once more information becomes available.
- 8.4 ELEXON provided the Panel with a verbal update on Modification Proposal P360 ['Making the BSC's imbalance price compliant with the European Balancing Guideline'](#). The European Electricity Balancing Guideline (EBGL) is expected to become law in 2017. The current BSC imbalance price calculations will not be compliant with Article 55 of the Guideline. It will be necessary for the BSC imbalance price calculations to be compliant within one year of the Guideline becoming law. This Modification proposes changes to the BSC to ensure that compliance is achieved.
- 8.5 ELEXON presented to the Panel the concept of an [Electricity Market \(EM\) Sandbox](#) to enable innovation and change across the industry by facilitating access to the BSC arrangements for new business ideas. ELEXON highlighted that the purpose of a sandbox is to enable proof of concept trials to take place without incurring the potential limitations of regulatory requirements and sought initial views from the Panel ahead of potentially raising a Modification Proposal to introduce a derogations process into the BSC arrangements.
- 8.6 The ISG:
- a) **NOTED** the update

9. Actions

- 9.1 ELEXON provided an update on the Actions raised in previous ISG Meetings.
- 9.2 In relation to action 195/02¹, a BSC Party contacted ELEXON to express their dissatisfaction with how long it took for the erroneous SO Flags to be identified and corrected, and for details to be communicated to Parties.

¹ 195/02 - An ISG Member noted a sustained period of negative prices on the 24 June 2017 (and a single Settlement Period on 25 June 2017) that may require further investigation. In particular, the ISG Member noted that having looked at the bid stacks, it appeared there might be some erroneously non-SO Flagged System Actions that were setting the Replacement Price for the other SO Flagged System Actions. Both of these appear to be erroneous.

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ELEXON presented the BSC Party's concerns, and ELEXON's analysis of the issue. Ahead of the meeting, ELEXON had circulated a short briefing to ISG Members summarising the key points of the issue.

- 9.3 The Transmission Company Representative noted that on 6 July 2017 National Grid (NG) confirmed to ELEXON that the trades should have been SO flagged, and they were, due to human error, not flagged at the time, which was communicated to ISG Members at meeting ISG197 as part of ELEXON's summary of Actions. The correction of SO Flags for affected BM actions (derived from Bid-Offer Acceptances (BOAs)) occurred in July 2017, ahead of the Initial Settlement Run (SF), and corrections of SO flags for non-BM actions (Balancing Services Adjustment Actions (BSAAs)) was resubmitted in October 2017 after being requested by ELEXON on the 15th of August, which was after the First Reconciliation Run (R1²). In relation to BSAAs, NG will endeavour to meet the earlier SF deadline going forward.
- 9.4 An ISG Member noted that the second page of ELEXON's paper stated that SO flag changes need a Trading Dispute, and asked if one were raised for this. ELEXON responded that there was no need for a Trading Dispute as the BSCP18 process allows NG to correct BM actions and change 'Bid-Offer Acceptance Related Data' up until the Initial Settlement Run (SF) after which a Trading Dispute would be required to make any change. ELEXON also noted that BSAD corrections can be made up to Final Reconciliation Run (RF)). Therefore the Transmission Company was compliant with its BSC obligations.
- 9.5 The corrected BSAD had the more significant impact on related System Prices and so the size of correction and the delay in correction are likely to have been the main factors driving some Parties' concerns. An ISG Member noted that both the human error and this lack of Market awareness of the corrections and their consequences were the significant errors that needed to be addressed. An ISG Member noted that these issues can significantly affect System Prices, and that as and when a potentially significant error is identified, e.g. by an ISG Member, then it should be made public as soon as possible alongside the action undertaken to correct the error and an indication of the materiality of the error. An ISG Member noted that it is subjective as to what would 'significantly' affect the price, as some could say that any change could affect price. The ISG noted that the original issue and related updates have been captured in ISG minutes, which are published on the BSC Website.
- 9.6 An ISG Member asked whether the prices on BMRS are updated to reflect corrective actions. ELEXON noted that corrections made after the BMRA calculates Indicative System Prices (i.e. within CADL+15 minutes of the Settlement Period) are not incorporated into the System Prices published on BMRS. ELEXON also noted that these corrected prices are published on the ELEXON Portal in the days and weeks following a Settlement Period. The ISG Member asked whether corrections could be published on the BMRS, e.g. on a separate page noting specific changes or revisions. An ISG Member responded that revising Indicative System Prices after their first calculation would change the principles and purpose of their calculation and publication on the BMRS, which was created to be an early indication of prices that commercial decisions could be made from. An ISG Member noted that while data could be published as close to real time as possible, it could then subsequently be changed, even historical data, and that those changes were relevant information too.

² BSC Section Q 6.3.3, states: "The Transmission Company may resubmit to the SAA the Balancing Services Adjustment Data in respect of any Settlement Period within a Settlement Day at any time prior to the Final Reconciliation Settlement Run for such Settlement Day and the SAA shall correct such data in the Settlement Run next following such resubmission"

The Balancing Services Adjustment Data Methodology Statement states: "The BSAD will be re-submitted, if required, post event to cover: The correction of any errors in the original submission made at 5pm at the Day Ahead stage; (...) If re-submission of BSAD is required, for any of the reasons above, then National Grid will endeavour to do this in sufficient time to allow the revised variables to be included in the calculation of SSP and SBP in the Interim Information Settlement Run."

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- 9.7 The ISG Chair noted that a Party could raise a Change Proposal or Modification to modify the BMRS to either enable Indicative System Prices to be corrected or corrective actions to be published, but in the meantime ELEXON and NG would monitor System Actions for errors and seek to publish details of potential errors and mitigating actions using existing distribution methods, such as in a Newscast or an ELEXON Circular. An ISG Member suggested that the best solution would most likely be the BMRS messaging service for communication. The ISG Chair asked ISG Members whether ELEXON should report on any change or just those determined to be materially affecting the prices. An ISG Member responded that it would be useful to publicise any revision to prices, and that this should be as soon as possible. It was noted that monitoring and reporting was perhaps a role for NG, as they would be best placed to spot errors quickly, possibly double checking any negative price. The Transmission Company Representative noted that NG would investigate the best way of communicating errors and corrections to the Market.
- 9.8 An ISG Member suggested that these issues and how to manage them would best be discussed at an Issue Group, to allow for a wider audience and range of view points, to look into a practical solution that would allow NG to amend information on the BMRS, communication of information on a change prior to say an SO Flag, consider how NG and ELEXON best communicate in a sort of timely manner.
- 9.9 The ISG:
- a) **NOTED** the update

10. Next meeting

- 10.1 The next ISG meeting is on the 28 November 2017 at the ELEXON offices.