



Newscast

ELEXON

Issue 662, 24 July 2017



Coming up this week

25 July 2017Imbalance Settlement Group at **10:00****25 July 2017**P356 Working Group Meeting at **10:00****27 July 2017**Performance Assurance Board at **10:00**

ELEXON proposed to lead development of Target Operating Model for Ofgem's Electricity Settlement Reform Significant Code Review

Today 24 July 2017, Ofgem released its [Significant Code Review Launch Statement for Electricity Settlement Reform](#). The SCR Launch Statement proposes that ELEXON lead the design work to develop the Target Operating Model. We are pleased that Ofgem has taken this approach, following our offer to lead the design work using an expert group. Ofgem has invited expressions of interest from industry parties to take part in the ELEXON led Design Working Group. The working group will consider the detailed design needs to deliver effective, efficient and enduring mandatory HHS arrangements.

The SCR Launch Statement sets out Ofgem's proposed model for the Design Working Group to develop the Target Operating Model and the governance structure. Ofgem has proposed that, as code administrator for the Balancing and Settlement Code and due to the previous work we led on in the area of half-hourly settlement, ELEXON are best placed to lead the work and draw on industry expertise through the working group and wider engagement.

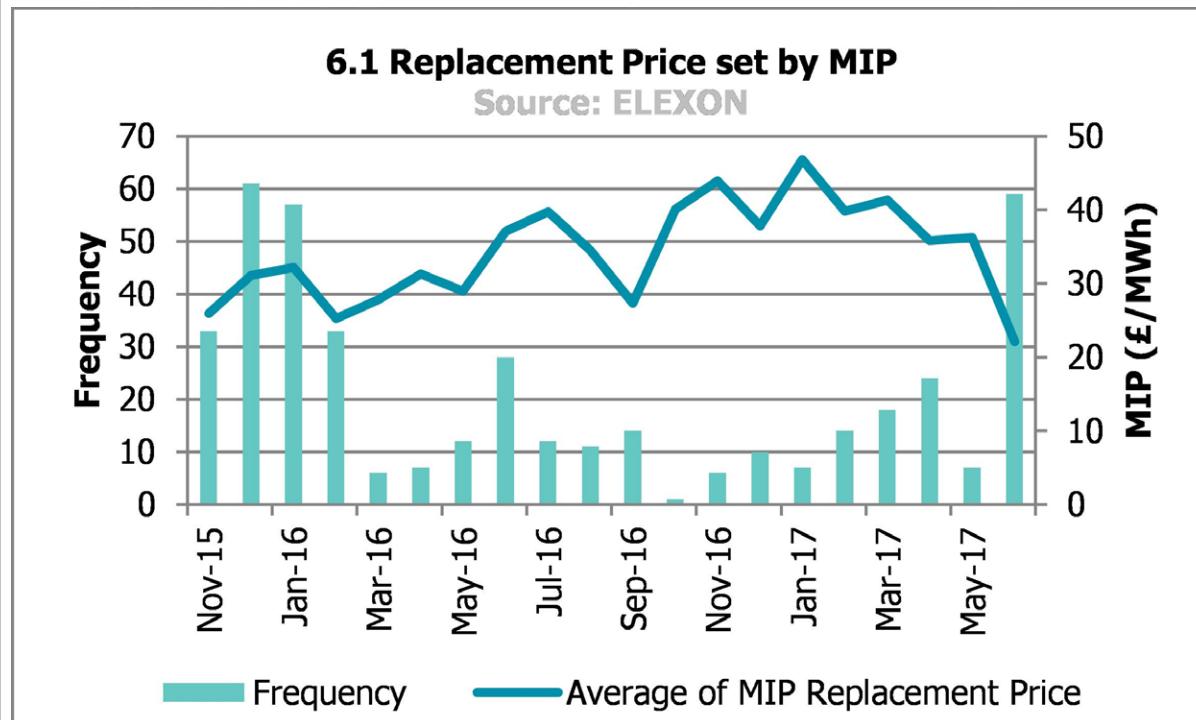
ELEXON Chief Executive, Mark Bygraves, has said 'I'm delighted that Ofgem has recognised our expertise in half-hourly settlements and with our independent market expertise, we look forward to working with industry experts in the Design Working Group and more widely to develop and deliver a recommended Target Operating Model to Ofgem for approval. Our subject matter experts are well placed to benefit this Significant Code Review.'

Ofgem is seeking feedback on both the proposed approach and expressions of interest for the Design Working Group by 1 September 2017.

Latest System Price Analyst Report (SPAR) published

The System Price Analysis Report (SPAR) is our monthly report on Imbalance Pricing, and includes an overview and analysis of the previous month's prices and pricing parameters. The SPAR aims to increase industry understanding of pricing, in light of the changes made as part of BSC Modifications P305 'Electricity Balancing Significant Code Review developments' and P323 'Enabling inclusion and treatment of SBR in the Imbalance Price' implemented in November 2015.

The latest SPAR, reporting on June 2017, is now available on the [Operations Reports](#) page of our website. This month's SPAR includes an appendix containing detailed analysis on the use of the Market Index Price (MIP) in the Imbalance Price calculation.



Since the implementation of BSC Modification P305, in November 2015, the MIP has been used to set the Replacement Price where there are no unflagged actions remaining in the calculation stack. These MIP repriced actions set the System Price in 420 Settlement Periods. In June 2017 the MIP set the Replacement Price, and consequently the Imbalance Price, in 59 Settlement Periods.

If you want to keep up to date with ELEXON's pricing analysis, SPAR is published monthly on the [Operations Reports](#) page of our website.

For further information, please email market.analysis@elexon.co.uk.

BSC Panel approves for Load Periods (LPs) and Sample Settlement Periods (SSPs)

On 13 July 2017 the BSC Panel approved the amended methodology to identify LPs and SSPs following industry consultation, together with the actual Load Periods (LPs) and Sample Settlement Periods (SSPs) to be used in the determination of Transmission Loss Factors for BSC Year 2018/19 (see BSC Panel paper [268/08 - P350: methodology for Load Periods and Sample Settlement Periods](#)).

Further information is available on the [P350 implementation](#) page and on the relevant [P350 Implementation Circular](#). If you would like to be added to the email distribution list for updates during P350 implementation please email P350Implementation@elexon.co.uk advising of any email addresses you want added.

Modifications, Change and Implementation

Live Consultation

P332 'Revisions to the Supplier Hub Principle' Update

The [P332 interim report](#) was presented to the Panel on 13 July 2017. This report provides an account of the Workgroup's progress to date and a revised plan to develop the solution. The Panel have sought Ofgem's view as to whether the findings in the interim report are consistent with their provisional thinking and strategic direction. Both the interim report and the letter to Ofgem can be found on the [P332](#) page of ELEXON's website.

Market Domain Data (MDD) Circular 611 published

We have published [MDD Circular 611](#) on the [MDD Circulars](#) page of our website. This Circular details an additional change to be included in the release of MDD Version 259, and invites Market Participants to perform an impact assessment on this. The deadline for any Market Participant comments is **12:00 on 24 July 2017**.

A zip file containing the proposed changes and the supporting documentation for the Charge Code applications are available on the [MDD Circulars](#) page of our website.

If you have any queries please call the BSC Service Desk on 0870 010 6950, email bscservicedesk@cgi.com or the MDD coordinator at mddc@elexon.co.uk.

Next Performance Assurance Board meeting: 27 and 28 July 2017

Due to the full agenda for the July PAB meeting, there will be two Performance Assurance Board (PAB) meetings taking place on **27 and 28 July 2017**. You can view all the open session papers for the 28 July meeting on the [PAB198B](#) meeting page of our website. There are no public papers for [PAB198A](#) meeting, taking place on 27 July.

There are a number of items in the open session of the [PAB198B](#) meeting that may of be interest to you. These are:

SMUs. This paper summarises ELEXON's recommendations to PAB following its review of the monthly Supplier Migration Plan Updates (SMUs), provided by Suppliers as required by P322.

ELEXON's response to BSC Audit Opinion. This paper outlines ELEXON's response to issues raised in Balancing and Settlement Code (BSC) Audit Opinion in 2016/2017 and some of the market issues identified by BSC Auditor.

Updated timeline for proposed activity to remedy market issues. This updated paper reflects the PAB's feedback regarding the activity to be undertaken against D0215 flows and includes an updated timeline.

Performance Assurance Framework KPIs. This paper includes the July Key Performance Indicators for the Performance Assurance Framework.

RER for approval. ELEXON invites the Performance Assurance Board (PAB) to approve the Risk Evaluation Register (RER) for 2018/19.

CP1487 'Remove the exclusion of Change of Measurement Classes in BSCP533 Appendix B'.

BSC Audit peer comparison.

If you have any questions, please email PABSecretary@elexon.co.uk.

CALF values for the Autumn 2017 BSC Season: 1 August 2017 appeal deadline

Credit Assessment Load Factor (CALF) values are now published for the Autumn 2017 BSC Season, which runs from 1 September 2016 – 30 November 2016. You can download these from the Credit/Credit Alerting section under the Financial and Credit menu on the [ELEXON Portal](#).

What can I do if I believe the assigned value does not accurately represent the expected Balancing Mechanism (BM) Unit activity?

If you are the Lead Party of a non-Credit Qualifying BM Unit, you can appeal an assigned CALF value if you believe it does not accurately represent your expected activity. To raise an appeal, please complete the CALF Appeals pro forma in Appendix 5 of the [CALF Guidance document](#) and email it to bscservicedesk@cgi.com by 1 August 2017.

Where can I find further information?

For further information about CALF, please see the [CALF Guidance document](#) or email settlementoperations@elexon.co.uk. Detailed information on CALF appeals is available in Section 12 of the [CALF Guidance document](#).

ELEXON Circulars published last week

Since 17 July 2017, we published four ELEXON Circulars. The Circulars were for information and related to:

[EL02684](#): Resolved: Issue affecting the Data Push Service

[EL02683](#): Planned MODIS downtime: Thursday 20 July 2017

[EL02682](#): Update: Issue affecting the Data Push Service

[EL02681](#): Issue affecting the Data Push Service

Circulars are published in the [News](#) section of the ELEXON website.

Upcoming meetings and events

[1 August](#) - Supplier Volume Allocation Group

[2 August](#) - P355 Working Group

[3 August](#) - Trading Dispute Committee

[10 August](#) - BSC Panel

[22 August](#) - Imbalance Settlement Group

31 August - Performance Assurance Board

We are hiring! [Check out our open roles and join the ELEXON team](#)



If you have any feedback on Newscast or any of our other publications, please email communications@elexon.co.uk

Our mailing address is:

ELEXON Ltd
4th Floor, 350 Euston Road
London, NW1 3AW

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