

## ***CMFTP226 - Amendments to BSUoS Methodology to reflect changes to the Transmission Licence***



CUSC Panel – *31 January 2014*

*Tushar Singh* – National Grid

## Background

---

- Ofgem directed changes to NG Transmission Licence
  - implementation of new Balancing Services Incentive Scheme for 2013/15
  - apply retrospectively from 01 Apr 2013
  - modification to the calculation of external and internal BSUoS charges
  - update tables and graphs to reflect new cap/collar and sharing factor values – new scheme

## Summary of Defect

---

- This Proposal seeks to address;
  - Inconsistency issues due to the changes made to the Transmission Licence not being reflected in the CUSC and;
  - Minor housekeeping changes
- No material impact on Users
  - BSUoS charges are being calculated in compliance with updated Transmission Licence

## Proposed CUSC Modification

---

- It is proposed that a number of changes are made to;
  - CUSC Section 14, Part 2, Section 2 – The Statement of the Balancing Services Use of System Charging Methodology.
    - Section 14.30 - Calculation of the Daily Balancing Services Use of System charge
    - Section 14.31 – Settlement of BSUoS
    - Section 14.32 - Examples of Balancing Services Use of System (BSUoS) Daily Charge Calculations

# Correction to CMFTP226 report

## Section 7 – Annex 1 – Proposed Legal Text – para 14.30.6

14.30.6 The External BSUoS Charges for each Settlement Period ( $BSUoS_{EXT_{jd}}$ ) are calculated by taking each Settlement Period System Operator BM Cash Flow ( $CSOBM_{jd}$ ) and Balancing Service Variable Contract Cost ( $BSCCV_{jd}$ ) and allocating the daily elements on a MWh basis across each Settlement Period in a day.

~~$$BSUoS_{EXT_{jd}} = CSOBM_{jd} + BSCCV_{jd} + [ (IncPayEXT_d + BSCCA_d + ET_d - OM_d) * \{ \sum^+ (QMBSUoS_{ijd} * TLM_{ijd}) + \sum^- (QMBSUoS_{ijd} * TLM_{ijd}) \} / \sum_{j=d} \{ \sum^+ (QMBSUoS_{ijd} * TLM_{ijd}) + \sum^- (QMBSUoS_{ijd} * TLM_{ijd}) \} ]$$~~

**Comment [t3]:** This equation has been replaced by the equation below

$$BSUoS_{EXT_{jd}} = CSOBM_{jd} + BSCCV_{jd} + [ (IncPayEXT_d + BSCCA_d + ET_d - OM_d + RFIIR_d + ROV_d BSFS_d + NC_d + IONT_d) * \{ \sum^+ (QMBSUoS_{ijd} * TLM_{ijd}) + \sum^- (QMBSUoS_{ijd} * TLM_{ijd}) \} / \sum_{j=d} \{ \sum^+ (QMBSUoS_{ijd} * TLM_{ijd}) + \sum^- (QMBSUoS_{ijd} * TLM_{ijd}) \} ]$$

# Correction to CMFTP226 report

## Corrected text

14.30.6 The External BSUoS Charges for each Settlement Period ( $BSUoS_{EXT_{jd}}$ ) are calculated by taking each Settlement Period System Operator BM Cash Flow ( $CSOBM_{jd}$ ) and Balancing Service Variable Contract Cost ( $BSCCV_{jd}$ ) and allocating the daily elements on a MWh basis across each Settlement Period in a day.

~~$$BSUoS_{EXT_{jd}} = CSOBM_{jd} + BSCCV_{jd} + [ (Incpay_{EXT_d} + BSCCA_d + ET_d - OM_d) \\ * \{ \left| \sum^+ (QMBSUoS_{ijd} * TLM_{ijd}) \right| + \left| \sum^- (QMBSUoS_{ijd} * TLM_{ijd}) \right| \} / \\ \sum_{j \in d} \{ \left| \sum^+ (QMBSUoS_{ijd} * TLM_{ijd}) \right| + \left| \sum^- (QMBSUoS_{ijd} * TLM_{ijd}) \right| \} ]$$~~

Comment [t3]: This equation has been replaced by the equation below

$$BSUoS_{EXT_{jd}} = CSOBM_{jd} + BSCCV_{jd} + [ (Incpay_{EXT_d} + BSCCA_d + ET_d - OM_d + RFIIR_d + ROV_d + BSFS_d + NC_d + IONT_d) \\ * \{ \left| \sum^+ (QMBSUoS_{ijd}) \right| + \left| \sum^- (QMBSUoS_{ijd}) \right| \} / \\ \sum_{j \in d} \{ \left| \sum^+ (QMBSUoS_{ijd}) \right| + \left| \sum^- (QMBSUoS_{ijd}) \right| \} ]$$

# Justification against Self Governance & Fast Track criteria

---

## *Self Governance criteria*

- (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 CUSC's governance procedures or the CUSC's modification procedures, and*
- (b) Is unlikely to discriminate between different classes of CUSC Parties.*

# Justification against Self Governance & Fast Track criteria

---

## *Fast Track criteria*

- (c) Is properly a housekeeping modification required as a result of some error or factual change; including but not limited to:*
  - (a) Updating names or addresses listed in the CUSC;*
  - (b) Correcting minor typographical errors**
  - (c) Correcting formatting and consistency errors, such as paragraph numbers or*
  - (d) Updating out of date references to other documents or paragraphs.**



# Code Administrator Proposed Progression

---

- The Panel is asked to agree:
  - whether CMP226 should be progressed through Fast Track

*If not Fast Track:*

- *whether CMP226 should progress to either:*
  - *Workgroup*
  - or*
  - *Code Administrator Consultation*
- whether CMP226 is exempt from the ongoing SCR

## Code Administrator Proposed Progression (if Fast Track agreed)

---

- The Panel is asked to agree:
  - Whether CMP226 should be implemented
  - What date should CMP226 be implemented (*Code Administrator recommends 10 working days after Objection Window closes – 12 March 2014.*)

## Proposed Timetable

---

<b>4<sup>th</sup> February 2014</b>	<b>Publish approved CMFTR</b>
<b>25<sup>th</sup> February</b>	<b>Objection window closes</b>
<b>12 March 2014</b>	<b>Code Administrator implements</b>