

**Rough Order of Magnitude (ROM) Analysis**  
**for**  
**Modification Proposal 0271**  
**Amendment to the SSP – Provisional LSP – SSP Amendment**  
**Rules Version 1.0**

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Disclaimer:

*This ROM Analysis has been prepared in good faith but by its very nature is only able to contain indicative information and estimates (including without limitation those of time, resource and cost) based on the circumstances known t at the time of its preparation. no representations of accuracy or completeness are included and any representations as may be implied are expressly excluded (except always for fraudulent misrepresentation).*

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*This ROM does not, and is not intended to; create any contractual or other legal obligation*

## **Change driver / origin**

Modification Proposal 0271 Amendment to the SSP – Provisional LSP – SSP Amendment Rules Version 1.0, raised by EDF Energy, is the driver for this ROM.

It is proposed that the UNC is amended so that where the Provisional Annual Quantity is greater than 73,200 kWh per annum then the User Provisional Annual Quantity can be any number that is different to the Transporter Provisional Annual Quantity. For clarity the requirements contained within UNC TPD section G 1.6.4 (b) and G 1.6.4 (c) and G 1.6.6 would continue to be applied.

## **Analysis**

At present UNC defines that, where the proposed AQ for a current Smaller Supply Point (SSP) is above 73,200 kWh (i.e. a potential 'threshold crosser'), any AQ Amendment with a value above 73,200 kWh is acceptable regardless of its difference from the xoserve proposed AQ. However, if the AQ Amendment value is less than or equal to 73,200 kWh the AQ Amendment is unacceptable if its difference from the proposed AQ is within 20% (plus or minus) of that proposed value.

**Option 1** The rule change will increase the number of AQ Amendments submitted to xoserve.

### **Consequential impacts**

Shippers submit AQ Amendments. These are accepted, rejected or referred for manual investigation (where there is data that requires further investigation e.g. an asset change within the period – these are known as AQ Amendment Referrals).

xoserve systems and resources are provided at a level to meet forecast demand for the AQ Amendment and AQ Amendment Referral activities.

Option1 will increase the volume of AQ Amendments submitted and AQ Amendment Referrals manually processed by xoserve operations, although it is considered these can be managed within the existing system and resource capacity.

**Option 2** Is to consider an alternative UNC rule change which will permit any difference between the AQ Amendment and the xoserve proposed AQ value for current SSPs, regardless of whether they are a potential 'threshold crosser' or not.

### **Consequential Impacts**

Option 2 has the high probability of increasing AQ Amendments and AQ Amendment Referrals well beyond the current system and resource capacity posing a significant risk to the AQ Amendment process. This is of particular note considering the profile of AQ Amendments submissions during the AQ Amendment window, with the majority being submitted towards the end of the AQ Amendment window. If Option 2 is to be considered further additional work is required to assess the impact on the significant increase of AQ Amendment submissions.

### **Conclusion**

Both rule change options would require a relatively simple system change but there is a risk the increased volume of AQ Amendments might be unmanageable, and the potential and probability of this happening is far greater with rule change Option 2.

## **ROM Costs & Timescales**

*Note: ROM information is not based on any formal systems analysis and should be used with caution.*

### **Estimated costs:**

The solution to deliver the system functionality for Option1 or Option 2 will cost at least **£19k**, but probably not more than **£29k**, to deliver.

Estimated ongoing support costs for Option 1 are not individually measurable within the general ongoing support costs of UK Link and so are assumed to be zero.

Estimated ongoing support costs for Option 2 cannot be assessed at this stage but may be significant.

Estimated ongoing service costs for Option 1 per annum will cost at least £5k, but probably not more than £20k

Estimated ongoing service costs for Option 2 per annum cannot be assessed at this stage but will be significant.

### **Estimated duration:**

The estimated system development time for Option 1 is at least 16 weeks but no more than 26 weeks.

The estimated system development time for Option 2 cannot be assessed at this time but will be significantly longer than Option 1

The solution for Option 1 cannot be implemented before 1<sup>st</sup> October 2010

It is not known when a solution for Option 2 may be implemented

## **Assumptions**

- A similar proportion of AQ Amendments will be referred as AQ Amendment Referrals

## **Impacts (Option 1 only, Option 2 cannot be assessed)**

### **xoserve:**

- There will be an overall increase in the number of AQ Amendments
- There will an increase in the number of AQ Amendment Referrals to be processed

### **Networks:**

- None identified

### **Shippers**

- Users may be obligated to submit AQ Amendments in a smoother / earlier profile.