

P275 Report Phase Consultation Responses

Consultation issued on 8 March 2012

We received responses from the following Parties

Company	No BSC Parties / Non-Parties Represented	Role of Parties/non-Parties represented
Western Power Distribution	4/1	Distributor and MOA
Imserv Europe Ltd	0/6	NHHMO/DC/DA, HHMO/DC/DA
ENW Ltd	1/0	Distributor
ScottishPower	2/1	Supplier, Party Agent
E.ON	5/0	Supplier
RWE npower	9/0	Supplier and Party Agent

What stage is this document in the process?

01 Initial Written Assessment

02 Definition Procedure

03 Assessment Procedure

04 Report Phase

Question 1: Do you agree with the Panel's view that the Proposed Modification should be approved?

Summary

Yes	No	Neutral/Other
5	1	0

Responses

Respondent	Response	Rationale
Western Power Distribution	Yes	n/a
Imserv Europe Ltd	Yes	Having it clarified that DNOs (i.e. non Trading Parties) issues are also a responsibility of PAB delivers the intention of P275.
ENW Ltd	Yes	We agree with the Panel that the increased clarity promotes efficiency in the BSC arrangements (Applicable objective d).
ScottishPower	Yes	n/a
E.ON	No	<p>The proposer had a quite different intent proposed in this modification to that which is finally being put before the Authority/Panel for a decision, that the BSC Assurance Framework should consider non-BSC impacts, namely the effects of the use of settlement data in the DLIM calculations.</p> <p>The modification is now so altered in its intent from the original proposal because the proposer has accepted that he cannot change the requirement of the PAF to consider non-BSC impacts, and because Elexon confirmed that the PAF absolutely does already address all parties and all processes performed under the code requirements that if this change were withdrawn or not implemented there would be no change to the way parties or Elexon would behave.</p>
RWE npower	Yes	Whilst npower believes this mod provides a minimal amount of clarity, we do not feel that without this Mod there was any confusion around the role of the PAB and the Performance Assurance Framework.

Question 2: Do you agree with the Panel's suggested Implementation Date?

Summary

Yes	No	Neutral/Other
6	0	0

Responses

Respondent	Response	Rationale
Western Power Distribution	Yes	n/a
Imserv Europe Ltd	Yes	Document only change.
ENW Ltd	Yes	There is no reason why the change cannot be implemented as soon as practicable.
ScottishPower	Yes	n/a
E.ON	Yes	If the proposal is implemented the time-frame is acceptable as nothing will actually change.
RWE npower	Yes	As this change is so minimal and has zero impact on any party within the industry with the exception of ELEXON who will need to make document changes, we are happy to support the proposed implementation date.

Question 3: Do you agree that the legal text delivers the intention of P275?

Summary

Yes	No	Neutral/Other
6	0	0

Responses

Respondent	Response	Rationale
Western Power Distribution	Yes	n/a

Respondent	Response	Rationale
Imserv Europe Ltd	Yes	n/a
ENW Ltd	Yes	The text provides the required clarity for Performance Assurance Parties.
ScottishPower	Yes	n/a
E.ON	Yes	n/a
RWE npower	Yes	The legal text does not deliver the original intention of the Modification but does deliver the eventual intention of the Modification.

Question 4: Do you agree with the Panel that P275 meets the Self Governance Criteria?

Summary

Yes	No	Neutral/Other
6	0	0

Responses

Respondent	Response	Rationale
Western Power Distribution	Yes	n/a
Imserv Europe Ltd	Yes	n/a
ENW Ltd	Yes	The modification provides clarity and does not change the current BSC arrangements.
ScottishPower	Yes	n/a
E.ON	Yes	Since the modification will not change any obligations on anyone, yes.
RWE npower	Yes	As this change is so minimal and has zero impact on any party within the industry with the exception of ELEXON who will need to make document changes, we are happy to support Self Governance.

Question 5: Do you have any further comments on P275?

Summary

Yes	No	Neutral/Other
2	4	0

Responses

Respondent	Response	Rationale
Western Power Distribution	None	n/a
Imserv Europe Ltd	None	n/a
ENW Ltd	None	n/a
ScottishPower	None	n/a
E.ON	Yes	<p>This modification should never have got this far!</p> <p>The proposal is so far altered from its original that it is questionable whether the modification should have been withdrawn as the defect cited did not exist and as the proposer accepted that the aspirations of the change were not permissible under the BSC. The final version of the proposal is a very minor wording change and it could be argued that it is questionable whether if presented as a modification in its final state now that it would be agreed that there was a defect at all.</p> <p>The proposer clearly misunderstood the nature of the Performance Assurance Framework and was under the impression that the arrangements only were framed around trading parties concerns rather than the performance of all BSC obligations by all BSC parties (trading and non-trading).</p> <p>Under the Code Governance Review, Ofgem required that all code administrators captured by the Code of Practice should act as a "Critical Friend" when changes were brought forward, particularly by small parties and consumer representatives. As a critical friend, Elexon were in a position to clarify the misunderstanding of the proposer that the PAF clearly does extend to non-trading parties, and therefore there was no defect in the BSC, and this should have come out when the modification IWA was presented</p>

Respondent	Response	Rationale
		<p>to the Panel.</p> <p>The industry has spent a considerable sum of money working through this modification process, the output of which is a wording change that will not deliver any improvement to the industry arrangements at all.</p> <p>The assessment costs by both Elexon and the industry have been considerable - approximately £39.000 centrally was included in the Assessment Report, which doesn't include the industries' full costs for managing this proposal.</p> <p>In this instance, the BSC Change Team should have been able to re-assure the proposer that the PAF arrangements covered all BSC parties and that they were not able to have the DLIM impacts factored into the Performance Assurance Framework.</p>
RWE npower	Yes	<p>Whilst it is possible to state that this Modification will better facilitate BSC Objective D, it is questionable whether this Modification delivers benefits that outweigh the costs to the industry (not just those costs identified within the impact assessments but the time spent getting from the original proposed defect and solution to the defect and solution this Modification finally delivers).</p>