

## Responses from P63 Draft Report Consultation

Consultation issued 20 September 2002

Representations were received from the following parties:

No	Company	File Number	No. Parties Represented
1.	Powergen Retail Ltd	P63_MR_001	1
2.	Electricity Direct	P63_MR_002	1
3.	Aquila Networks	P63_MR_003	1
4.	YEDL/NEDL	P63_MR_004	2
5.	Npower	P63_MR_005	9
6.	SEEBOARD	P63_MR_006	1
7.	Scottish and Southern	P63_MR_007	4
8.	LE Group	P63_MR_008	1
9.	Scottish Power	P63_MR_009	6

## **P63\_DR\_001 – Powegen Retail Ltd**

Powergen Retail Ltd. notes with concern that Suppliers would be required to apply to the BSC Panel should the threshold exceed the number set by the Panel to trigger the bulk change of agent (CoA) process. Powergen believes that there should be no mandatory requirement on Suppliers to apply to the Panel or to follow the proposed bulk transfer of agents process. Suppliers should have the flexibility to decide which process to follow and this could be the normal agent transfer process or the bulk agent transfer process.

We also note that the bulk CoA process seems to be addressing both agent failure as well as competitive change of agent. These should be considered separately.

AFROZE MIAH  
Powergen Retail Ltd.

**P63\_DR\_002 – Electricity Direct**

**P63 Consultation on draft Modification Report**

Dear Sirs

Firstly let me thank you for allowing Electricity Direct to respond to this consultation. We are in support of the proposed modification and believe that it will allow parties to bulk change of agents in the most proficient and efficient way thereby allowing active competition in the Supply of Electricity.

Yours Sincerely

Gareth Swales

**P63\_DR\_003 – Aquila Networks**

Please find that Aquila Networks Plc response to P63 Consultation on draft Modification Report is 'No Comment'.

regards

Rachael Gardener

Deregulation Control Group &  
Distribution Support Office  
AQUILA NETWORKS

P63\_DR\_004 – YEDL/NEDL

Both NEDL & YEDL have no comments with regards to this Report.

Cheers,

Dave Young

Registration Services Manager - NEDL & YEDL

## P63\_DR\_005 – Npower

Please see below for our comments on behalf of Innogy plc, Innogy Cogen Limited, Innogy Cogen Trading Limited, Npower Limited, Npower Direct Limited, Npower Northern Limited, Npower Northern Supply Limited, Npower Yorkshire Limited and Npower Yorkshire Supply.

We note the apparent desire to press ahead with this Modification Proposal and support the introduction of controls to ensure that those involved are properly prepared. However, we would observe that neither the Proposer nor the Modification Group has come up with a solution to overcome the apparent flaws in the existing Change of Agent process, which may have contributed significantly to ongoing problems with Large EACs/AAs and Invalid Hubs; they have simply provided a mechanism for the same (arguably flawed) process to operate at increased volumes. Whilst it can to some extent be argued that this Modification Proposal promotes effective competition in electricity supply, if as a consequence of its introduction incoming Suppliers pick up customers that have previously gone through a Change of Agent process in increasing numbers, and continue to suffer from associated problems, this is arguably contrary to the BSC objective, as well as a risk to the Settlement process. It is vital that the Panel and/or the Performance Assurance Board take due account of these risks in applying the process and criteria defined by this Modification, if it is approved, pending addressing of the fundamental issues.

Regards,

Ros Parsons  
npower

## **P63\_DR\_006 – SEEBOARD**

With reference to draft modification report on P63 (Change Of Contract Management of MPANs For Data Collector, Data Aggregator And Meter Operator) dated 20th September 2002. We have considered details of VAMG and BSC Panel discussions in section 5 with respect to implementation date. We agree that it is important to protect Settlements and as such agree with implementation date suggested within section 1.1 of this report.

Dave Morton  
SEEBOARD Energy Limited

## P63\_DR\_007 – Scottish and Southern

This response is sent on behalf of Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd. and SSE Energy Supply Ltd.

In relation to the Report Consultation on Modification Proposal P63 contained in your note of 20th September 2002, we have some comments to make in respect of Section 4 of the Draft Modification Report, relating to the description of the proposed modification.

In particular, we continue to have concerns with the way the Modification Proposal is currently drafted and would like to see account taken of the following changes before we could support a recommendation from the Panel to the Authority recommending its implementation:-

1. We see the requirement to seek PAB approval above a certain threshold, before being able to do a Bulk Change of Agent, as bureaucratic and unnecessary. We have gone through all entry and certification requirements to trade in the competitive electricity supply market. In any discussions with our agents and affected SMRAs we would expect them to take into account their obligations to maintain their normal processes when agreeing a daily transfer figure. It might be appropriate to put some safeguards for agents and SMRAs should a supplier exceed an agreed daily rate. Indeed it is worth point out that it is in our own interest to ensure that data is handled correctly as we will be left to deal with the consequences.
2. A process needs to be defined where a Party is unable to agree a daily figure with its old agents and/or affected SMRAs.
3. Whilst we do not agree with the setting of a threshold level, if it is still considered necessary by the Panel to have one, we consider it inappropriate that "the Panel from time to time set a threshold level". We feel there is a need for a robust industry consultation process to be followed prior to the Panel setting any threshold level.
4. We disagree with the conclusion of VAMG that it is appropriate to include agent failure within this Modification Proposal. The whole emphasis of the Bulk Change of Agent proposals has been to work within the existing industry design. This part of the Modification Proposal places additional responsibilities on all parties which are not supported by the existing national design e.g. there are no flows to support the passing of the data proposed for agent failure. VAMG noted this requirement explained why the majority of responses wanted a six month implementation and to us serves to emphasis that this should be looked at under separate cover. If the requirement remains we require 6 months notice from whenever the detailed solution for passing data was agreed. Furthermore this would need to go through the MRA change process in its own right.

Regards



Garth Graham  
Scottish & Southern Energy plc

## P63\_DR\_008 – LE Group

With regard to your consultation on BSC modification P63 "Change of Contract Management of MPAN's for Data Collector, Data Aggregator and Meter Operator", LE Group support the proposed recommendation to Ofgem for implementation of changes to the BSC.

However, we noticed that in the assessment consultation a requirement to hold the last two valid meter reads and EAC/AA history was stated, but the legal text attached to the draft modification report has 48 months (4 years worth) of valid meter read history. The 48 month period has not been consulted on and imposes a more onerous requirement for Suppliers not only to retain data but also in managing the process. As we felt that the last two valid meter reads was sufficient we would prefer the legal text to be returned to this level. As a matter of principle, we believe such changes to proposals between consultations should be highlighted to ensure they have been picked up by participants.

Regards,

Alec Thompson

on behalf of Liz Anderson, Energy Strategy and Regulation Manager, LE Group.

## P63\_DR\_009 – Scottish Power

I thank you for the opportunity to comment on the above. In response to this consultation, I would refer you to our previous comments, made during the joint BSC and MRA Detailed Level Impact Assessment.

While, we agree with these proposals in principle, we are concerned that the figure mentioned in the footnote to page 4 might be construed as an accurate reflection of the current processing capabilities of all Supplier Meter Registration Agents. While, this is not identified as an indication of the likely threshold at which the Bulk Change of Agent process would be initiated, it is described as a "*perceived industry limit*".

While we accept that this figure might represent total daily processing for some Supplier Meter Registration Agents, we believe this would represent all flows from all suppliers and cannot be considered purely in the context of Change of Agent flows. The number of Change of Agent flows that any Supplier Meter Registration Agent can accommodate in their Total Daily Processing is dynamic and will depend on the number of Registration flows etc that it receives from that or any other Supplier in that particular day.

In our opinion the threshold should be two-fold: -

- 1) The total number of agent changes needed in any GSP Group planned over a certain period – this could be set to a higher level than 20,000 (perhaps in excess of 50,000 in 1 calendar month)
- 2) The volume of daily agent change processing proposed – we believe this should be set to 5,000 instructions per GSP Group

For example, is it the intention of the change to enforce a supplier to go through the Bulk Change of Agent process when the volume is say 100,000 but spread over a period in such a manner that these are absorbed into the normal daily processing levels?

Nonetheless, we are of the opinion that the responsibility for setting any such threshold more naturally rests within the MRA.

I trust that you will find these comments helpful. Nonetheless, should you require further clarification of any of the above, please do not hesitate to contact me.

Yours Sincerely,

James Nixon  
SAIC Ltd.

*For and on behalf of:* - **ScottishPower UK Plc**  
**SP Energy Trading Ltd**  
**SP Generation Ltd**  
**Scottish Power Energy Retail Ltd**  
**SP Manweb plc**  
**SP Transmission Ltd**