

January 2002

ASSESSMENT REPORT
MODIFICATION PROPOSAL P55
BSC Conflicts with Consolidation of
Embedded Generation in Central
Volume Allocation

Prepared by the Pricing Issues Modification Group
on behalf of the Balancing and Settlement Code
Panel

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1 SUMMARY AND RECOMMENDATIONS

1.1 Recommendations

On the basis of the analysis, consultation and assessment undertaken in respect of this Modification Proposal during the Assessment Phase, and the resultant findings of this report, the Modification Group recommends that the BSC Panel should:

- a. **NOTE the Assessment Report for Modification Proposal P55 and the recommendations of the Modification Group;**
- b. **ENDORSE the recommendation of the Modification Group that Modification Proposal P55 should proceed to the Report Phase in accordance with BSC Section F 2.7;**
- c. **INSTRUCT the Modification Secretary to prepare a draft Modification Report with a recommendation to the Authority that the Alternative Modification should be made and implemented with immediate effect from the Authority decision, and that the Proposed Modification should not be made; and**
- d. **INSTRUCT that the draft Modification Report be consulted on and presented to the Panel meeting on 14 February 2002 with an Implementation Date of the approval date by the Authority.**

1.2 Background

The Proposed Modification seeks to amend BSC Section K to address an incompatibility between:

- (i) the requirement that a Metering System may only be registered in the Central Metering Registration Service (CMRS) provided that there is not an associated Metering System registered in the Supplier Metering Registration System (SMRS); and
- (ii) the requirement for the Metering Systems associated with an Exemptable Generating Plant to be registered in CMRS in order that a Trading Unit can be formed with demand in the same GSP Group, and hence “embedded benefits” realised.

The Proposed Modification thus addresses the important requirements of Trading Parties seeking to act as consolidators under the BSC trading arrangements. In particular, Parties responsible for the Exports from the Exemptable Generating Plant may not be responsible for any Imports in the GSP Group in which the Exemptable Generating Plant is located. In these circumstances, the BSC provides for the establishment of Trading Units, which are intended to realise “embedded benefits” by providing the equivalent of net treatment of all the Exports and Imports of the BM Units in the Trading Unit.

However, Trading Units may be established only where the BM Units forming the Trading Unit satisfy certain conditions. These conditions are intended to establish that the BM Units are electrically proximate such that it is reasonable to regard only the net Exports/Imports as having been traded over the Total System. In particular, where a BM Unit - in this context referred to as an “Exempt Export BM Unit” - comprises Exemptable Generating Plant, the Exempt Export BM Unit may form a Trading Unit within any one Supplier BM Unit in the same GSP Group¹. However, the definition of Exempt Export BM

¹ The Alternative Modification under Modification Proposal P7, recommended to the Authority by the Panel, seeks to extend the Trading Unit definition to permit two or more Supplier BM Units.

Unit in Annex X-1 of the BSC requires that an Exempt Export BM Unit *comprises only the CVA Metering Systems*.

In many cases, existing Metering Systems associated with Exemptable Generating Plant will be registered in SMRS. However, the provisions of the BSC permit Parties to transfer the registration of Metering Systems between CMRS and SMRS and vice-versa. A problem - the one which the Modification Proposal is intended to solve - arises when, as allowed by BSC Section K3.1.3, one Party is responsible for the Exports whilst another Party is responsible for Imports (i.e. supply). For Exemptable Generating Plant, it is likely that the Imports are subject to an existing Supply arrangement wherein the Metering Systems are SVA Metering Systems. Because the BSC currently requires that the Metering Systems associated with the BM Unit associated with the Exports of the Exemptable Generating Plant should be CVA Metering Systems in order that a Trading Unit can be formed, this requirement conflicts with BSC Section K2.1.2 which requires that Metering Systems associated with Exemptable Generating Plant may only be registered in CMRS provided that no other Metering System associated with the Exemptable Generating Plant is registered in SMRS.

Following the endorsement of Panel paper 30/029 on 20 September 2001, the Panel requested that a Special Expert Group (SPEG) should be convened to address these issues. The Panel also agreed that in order to enable registration of NFPA Sites in the August 2001 auction for an Effective Date of 1 October 2001, to treat the requirement as 'special circumstances' and use its discretion in applying BSC Section K2.1.1(d). The SPEG meeting took place on 25 October 2001 when it was agreed that a Party should raise a Modification Proposal to remove any restrictions on Exemptable Generating Plant from trading in CVA.

The Panel meeting on 13 December 2001 agreed that the Modification Proposal should proceed to the Assessment Procedure and that an Assessment Report should be presented to the Panel meeting on 14 February 2002. However, on 4 January 2002 ELEXON received a notice from the Authority, pursuant to BSC Section F1.4.3 (d), instructing the Modification Secretary to present an Assessment Report to the Panel meeting on 17 January 2002.

1.3 Rationale for Recommendations

The Modification Group recognised that implementation of the Modification Proposal would allow the consolidation of Exports through Metering Systems registered in CMRS while permitting Metering Systems associated with Imports to remain in SMRS. Currently the only viable option for Exemptable Generating Plant is to request that a Supplier having sufficient demand at all times become responsible for the Exports. By removing this restriction, the Proposed Modification would *"promote competition in the generation and supply of electricity, and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity"*.

If the Modification Proposal were to be implemented, no changes to the Central Systems software would be required and ELEXON would continue to operate the process on the basis of the present version of BSCP68. ELEXON recognised that this might cause operational problems, e.g. capacity limitations on handling standing data, registering meters, etc. However, it was noted that whether the Proposed Modification was implemented or not, or whether the Panel used its discretion given to it by paragraph K2.1.1(d), there would still be insufficient time to deal with the potential increase in registrations. The responses to the consultation showed that there were concerns about the costs of implementing the Modification Proposal. Furthermore, the Proposed Modification was seen as adding layers of complexity that could lead to the possibility of metering errors and disputes.

The Modification Group felt that the Alternative Modification was simpler than the Proposed Modification as it would allow Metering Systems to remain in SMRS rather than requiring wholesale transfers to CMRS. It was seen as achieving the overall intention of the Modification Proposal but without the added complications of reregistering BM Units in CMRS and having to appoint different Data Collectors for Import and Export. The Alternative Modification requires only that Trading Unit applications that would currently have to be rejected could now be approved.

However, the Modification Group also recognised the Alternative Modification would require that any Trading Party taking advantage of the arrangements would have to hold a Supply Licence in order to be permitted to register Metering Systems in SMRS. To make the provisions available to all Trading Parties would require further changes to permit non-Suppliers to become signatories to the Master Registration Agreement (MRA), will require changes to the MRA itself and associated products, e.g. the DTC. The Modification Group was unable to identify the necessary changes in the time available. Nevertheless, given that it was understood that the upcoming NFPA auction - the prime motivation for raising the Modification Proposal at this time, and the reason that the Authority requested a compressed timescale for the Assessment procedure - is restricted to licenced Suppliers, this constraint was not seen as unduly restrictive at this time.

The Modification Group also agreed that the efficiency in the implementation and administration of the BSC would be better facilitated if Metering Systems connected to a Distribution System were, in general, registered in SMRS whilst those Metering Systems connected to the Transmission System were registered in CMRS, with only exceptions to this general principle. This was supported by the responses to the relevant question in the consultation paper. The Alternative Modification would be in line with this principle whilst the Proposed Modification would not.

The Modification Group agreed that, in the light of these considerations, the Alternative Modification would better facilitate the Applicable BSC Objectives defined in Condition C3 of the Transmission Licence, particularly Condition C3(3)(d), as compared with the Proposed Modification, as it would be useful in "promoting efficiency in the implementation and administration of the balancing and settlement arrangements."

The Modification Group recognized that there might be some merit in making both the Proposed Modification and the Alternative Modification to the BSC. However, the Panel is precluded from recommending both. The Modification Group thus considered that a possible course of action would be for the Panel to recommend (and the Authority, if so minded, determine) that the Alternative Modification not be made and that the Proposed Modification should be made, and that the Alternative Modification could then be raised as an Urgent Modification. The Proposed Modification has potentially high costs, practical problems and serious implications for data quality. Implementing the Proposed Modification as a stop gap whilst the MRA changes are made to parallel the changes envisaged in the Alternative Modification would be expensive and could be a risk to Settlement whilst not significantly changing the position of the current participants in the NFPA auction.

Lastly, the Modification Group noted also that if the Authority approved Modification Proposal P07 then the need for the Alternative Modification would disappear, as P07 would permit the formation of a Trading Unit with any two or more Supplier BM Units, which could include any number of Supplier BM Units including the Exports of Exemptable Generating Plant.

2 INTRODUCTION

This Report has been prepared by ELEXON Ltd., on behalf of the Balancing and Settlement Code Panel ('the Panel'), in accordance with the terms of the Balancing and Settlement Code ('BSC'). The BSC is the legal document containing the rules of the balancing mechanism and imbalance settlement process and related governance provisions. ELEXON is the company that performs the role and functions of the BSCCo, as defined in the BSC.

An electronic copy of this document can be found on the BSC website, at www.elexon.co.uk

3 MODIFICATION GROUP DETAILS

This Assessment Report has been prepared by the Modification Group. The Membership of the Modification Group was as follows:

Peter Davies	ELEXON (Chair)
Ann Evans	Scottish Power/Manweb
Duncan Jack	St Clements Services
Andrew Macdonald	Concert Energy
Tony Bramley	Tanaris Energy Limited
Phillip Russell	TXU
Bob Brennan	Seeboard
Maurice Smith	Campbell Carr
Tony Price	Innogy
Robert Owens	SmartestEnergy Limited
Nigel Brooks	National Grid Company
Ken Ratcliffe	IMServ
John Cunningham	ELEXON
Ralph Sutton	ELEXON

4 DESCRIPTION AND ASSESSMENT AGAINST THE APPLICABLE BSC OBJECTIVES

4.1 The Proposed Modification

Modification Proposal P055 seeks to address incompatibilities in areas of the BSC with the concept of a 'consolidator'. The Modification Proposal would change Sections J and K of the BSC to allow consolidators to trade Export Active Energy from Exemptable Generating Plant in CVA whilst allowing the Import Active Energy to remain in SVA. The Proposer believes that this approach will provide small embedded generators with an avenue into, and the benefits of, the NETA market, enabling a competitive price for the energy comparable to that of the larger players. The Modification Proposal would also remove the need for a consolidator to have a Supply Licence, albeit not precluding that requirement.

In many cases the BSC Party taking the Export Active Energy does not have a contract with the customer for the supply of Import Active Energy at the relevant Site, and may not have a Supply Licence to provide that energy. The Proposed Modification would remove the restriction in Section K on the BSC Party to have a Supply Licence, and to register *all* Metering Systems, i.e. Exports and Imports, associated with an Exemptable Generating Plant in the same Registration System, either CMRS or SMRS.

The Proposed Modification proposes changes to BSC Section J that are intended to accommodate two separate Data Collectors accessing the same Outstation associated with Metering Equipment at a Third Party Generating Plant for settlement purposes. Currently, in accordance with BSC Section J, only one Data Collector can access and retrieve data for settlement purposes. However, if the Export Active Energy is to be traded in CVA and the Import Active Energy in SVA then access will be required by two separate Data Collectors (CDCA and SVA) and the relevant data processed through their respective routes.

There is also a similar issue for the Meter Operator Agent (MOA) as BSC Section J allows only one MOA to be appointed for a particular Metering Equipment. Metering Equipment can provide for a number of Metering Systems, and Agent appointments are based on Metering Systems. The Modification Proposal would allow an Outstation containing two Metering Systems to have one MOA registered in CMRS and the other in SMRS. The Accreditation processes associated with meter operation, and the responsibilities of a MOA, are different for the CVA and SVA sectors of the Trading Arrangements. There are a number of MOA's Accredited for operation in SVA which are not Accredited for operation in CVA, whereas all the MOA's Accredited for CVA are also Accredited for SVA. The Modification Proposal would mean that the same MOA 'company' being appointed for both the Export and Import Metering Systems. This arrangement would ensure that faults identified by either Data Collector would be reported to the same source for resolution.

4.1.1 Assessment of Proposed Modification against Applicable BSC Objectives

The Modification Group met for the first time on 4 January 2002 to consider the Modification Proposal and the potential impacts on the various parties involved. The Group agreed that:

- although the proposal was highlighting issues associated with data collection, meter operation, etc., these issues were not necessarily new and may have existed since the previous auction of NFFO contracts in August 2001 for registrations on 1 October 2001, without too many practical problems;

- the main operational issues had been associated with the registration process and transfers of Meter Technical Details (MTD) between the SVA MOA and the MOA wishing to provide the relevant information to the BSC Party and to CDCA for operation in CVA, and this remains an area of concern for future registrations;
- other issues need to be clarified, such as:
 - confidentiality of metered data;
 - Meter Advance Reconciliation; and
 - Sealing of Metering Equipment;
- they were unable to identify any additional controls required;
- wherever possible, in the future, the legal framework should follow the procedures in existence for CVA, i.e. BSCP series 01 to 100;
- BSCP68 as drafted is not sufficiently robust and will require changes;
 - to be more prescriptive in relation to the transfer of Export and/or Import (but not necessarily both) Metering Systems between Registration Systems; and
 - in relation to the potential volumes involved;
- a Proving Test would be required for any Metering System transferring from SVA to CVA;
- although costs are incurred in the transfer of Metering Systems from one registration another, the current Cost Recovery mechanisms for CVA and SVA Metering Systems should be retained;
- the consultation process and HLIA would seek to establish the views of BSC Party's and Party Agents; and
- the NETA Central Service Agent should undertake a HLIA, based on the potential numbers of changes in registration following the January 2002 auction.

4.2 Alternative Modification

The Modification Group agreed that the objective of Modification Proposal was to realise certain 'embedded benefits' for Exemptable Generating Plant as follows: -

- (i) the aggregation of Production from Exemptable Generating Plant with Consumption, thereby potentially reducing exposure to Energy Imbalance Cashflows;
- (ii) the netting of Exports with Imports for the purposes of allocating transmission losses;
- (iii) the netting of Exports with Imports for the purposes of allocating BSCCo Costs; and
- (iv) albeit outside the scope of the Balancing & Settlement Code, the netting of Exports with demand for the purposes of NGC's Use of System charging.

The Modifications Group could identify no reason as to why the definition of Exempt Export should be conditional on the Metering Systems associated with the Exemptable Generating Plant being CVA Metering Systems. The ability to form Trading Units should be dependent on what groupings of Plant and/or Apparatus should be allowed to realise the benefits of netting-off, and the system used to register the Metering Systems should be of no relevance. The perversity of the restriction is further illustrated by the fact that many Trading Parties will be able to circumvent the restriction merely by migrating Metering Systems from SMRS to CMRS, albeit this migration creates a very substantial burden on ELEXON, BSC Agents, Parties and Party Agents if the numbers of Metering Systems being migrated are not small.

Accordingly the Modification Group decided that an Alternative Modification could be identified which would allow the BM Unit associated with the Exports of the Exemptable Generating Plant to satisfy the definition of an Exempt Export BM Unit, such that a Trading Unit could be established with another Party's Supplier BM Unit. This would require the definition of Exempt Export BM Unit in Annex X-1 to be changed to allow the BM Unit associated with the Exports of the Exemptable Generating Plant to satisfy the definition of an Exempt Export BM Unit, such that a Trading Unit could be established with another Party's Supplier BM Unit. A change would also be required to avoid any conflict with BSC Section K4.4.1(a), which precludes the Trading Unit having more than one Supplier BM Unit, i.e. more than one BM Unit with SVA Metering Systems², since, if the Metering Systems remain in SMRS, the new Exempt Export BM Unit would also be a Supplier BM Unit.

4.2.1 Assessment of Alternative Modification against the Applicable BSC Objectives

By amending the definition of Exempt Export BM Unit, the Alternative Modification would have no effect other than to affect what collections of BM Unit would be permitted to form a Trading Unit. Note that the definition of Exempt Export BM Unit is used in the BSC for no other purpose, except to define which BM Units may be part of a Trading Unit with a Supplier BM Unit, and also to define those BM Units in respect of which Lead Parties may elect whether the BM Unit is to be treated as Production BM Unit or a Consumption BM Unit.

Accordingly, as compared with the present BSC, the Alternative Modification would have no impact on any other aspect of the BSC, and the existing procedures for the registration of Metering Systems would be unaffected. Where the same Party is responsible for both the Exports and Imports at an Exemptable Generating Plant, or where the Party responsible for the Imports agreed to the re-registration of Metering Systems in CMRS, the Alternative Modification would avoid the need for migration into CMRS. Parties could thus become responsible for the Exports through the existing change of Supplier processes.

As compared with the Modification Proposal, by removing the requirement to migrate potentially large numbers of Metering Systems from SMRS to CMRS, the costs and risks of such re-registrations would be avoided. Also, as compared with the Modification Proposal, the Alternative Modification would avoid the requirement to establish new processes to enable Metering Equipment to be accessed by both SVA and CVA accredited Meter Operators and Data Collectors.

Parties wishing to register Metering Systems in SMRS must have acceded to the Master Registration Agreement (MRA). Currently, only Suppliers are permitted to receive MPAS Registration Services as Parties to the MRA.

² Modification Proposal P7 - should the Authority direct that it shall be made to the BSC – will amend K4.4.1(a) so as to remove the limitation to only one Supplier BM Unit.

Thus the Alternative Modification, as compared to the Proposed Modification, would not prevent Trading Parties that are not Suppliers from needing to migrate Metering Systems associated with Exemptable Generating Plant to CMRS, merely because the non-Suppliers are precluded from registering SVA Metering Systems. Further changes – not identified in this Assessment Report - would be required to the MRA itself, to permit non-Suppliers to register Metering Systems in SMRS would remove this limitation.

5 IMPACT ON BSC AND BSCCO DOCUMENTATION

5.1 BSC

For the Modification Proposal:-

- Paragraph K 2.1.2 would need to be changed to allow Export Metering Systems at Sites with Exemptable Generation Plant to register Metering Systems in CVA provided that there is no Metering System which is registered in SMRS for which the Metering Equipment measures Exports at the Site.
- A new paragraph 4.1.7 would have to be added to Section J which referred the appointment of Meter Operator Agents for Metering Equipment at an Exemptable Generation Plant comprising both SVA and CRA Metering Systems; and
- A new paragraph 4.1.8 would have to be added to Section J to allow for different Data Collectors to access the same Outstation for Export (CVA) and Import (SVA) metered volumes.

For the Alternative Modification:-

- Paragraph 4.4 of Section K would need to be amended; and
- The definition of Exempt Export BM Unit would need to be amended to exclude the text about CVA Metering Systems.

5.2 Code Subsidiary Documents

For the Modification Proposal the CDCA Service Description will need to be modified and a review of BSCP68 carried out to include collection of Export metered volume data from Embedded Exemptable Generating Plant

5.3 BSCCo Memorandum and Articles of Association

No changes have been identified.

6 IMPACT ON BSC SYSTEMS

6.1 Registration

There could be an impact on the CMRS and the SMRS of the Proposed Modification was accepted. There would also be an impact on the SMRS if non-Suppliers were accepted into the registration process.

6.2 Contract Notification

No impact identified.

6.3 Credit Checking Systems

No impact identified.

6.4 Balancing Mechanism Activities

No impact identified.

6.5 Collection and Aggregation of Metered Data

For the Modification Proposal constraints on the SVA Data Collector that it should not interfere with the CVA data collection activities.

6.6 Supplier Volume Allocation

No impact identified.

6.7 Settlement

No impact identified.

6.8 Clearing, Invoicing and Payment

No impact identified.

6.9 Reporting

No impact identified.

7 IMPACT ON CORE INDUSTRY DOCUMENTS AND SUPPORTING ARRANGEMENTS

7.1 Grid Code

No impact identified.

7.2 Master Connection and Use of System Agreement (MCUSA) No impact has been identified.

No impact identified.

7.3 Supplemental Agreements No impact has been identified.

No impact identified.

7.4 Ancillary Services Agreements (ASAs)

No impact identified.

7.5 Master Registration Agreement (MRA)

There are impacts on the MRA and its associated products and a full Impact Assessment will be completed when proposed changes are raised.

7.6 Data Transfer Services Agreement (DTSA)

No impact identified.

7.7 British Grid Systems Agreement (BGSA)

No impact identified.

7.8 Use of Interconnector Agreement

No impact identified.

7.9 Pooling and Settlement Agreement (PSA)

No impact identified.

7.10 Settlement Agreement for Scotland (SAS)

No impact identified.

7.11 Distribution Codes

No impact identified.

7.12 Distribution Use of System Agreements (DUoSAs)

No impact identified.

7.13 Distribution Connection Agreements

No impact identified.

8 IMPACT ON ELEXON

If the Modification Proposal were to be implemented, no changes to Central Systems software would be required and ELEXON would continue to operate the process on the basis of the present version of BSCP68. ELEXON recognised that this might cause operational problems, e.g. capacity limitations on registering meters. ELEXON have instructed Logica to carry out their impact assessment with a view to the volumes involved.

9 IMPACT ON PARTIES AND PARTY AGENTS

9.1 Parties

No impact identified.

9.2 Party Agents

No impact identified.

10 LEGAL ISSUES

The legal issues associated with this Modification Proposal are as follows: -.

- A new paragraph will need to be added to Section L requiring Parties to notify ELEXON where the same metering equipment is in both CVA and SVA metering systems.
- The Modification Proposal will result in an 'overlap' between the CVA and the SVA rules and processes. Detailed consideration will need to be given to ensure that there are no implications for Sections of the BSC other in addition to those already identified in the Modification Proposal.
- The drafting changes to Section J distinguish between Metering Equipment and Metering Systems which is required from a legal point of view if not from an operational point of view.
- BSC Section J4.1.2(a) applies to Metering Systems (not Metering Equipment), and further BSC Section J4.1.2(a) applies only to Party Agents, and the CDCA is not a Party Agent. There is therefore no explicit restriction that needs to be removed as suggested in the Modification Proposal. However, having both the CDCA and a Data Collector collect data from the same Metering Equipment (or at least, Outstation) may need some rules and some co-ordination which should be dealt with at a detailed level in Code Subsidiary Documents.
- There is no need for BSC Section J4.1.6 to be limited to Third Party Generating Plant, i.e. where in a case where the exempt(able) generator has elected not to register as suggested in the Modification Proposal; it would be equally applicable where the exempt(able) generator has registered exports in CVA.

The legal issues associated with the Alternative Modification are as follows: -

- It is not clear what the benefits are given that it will still be necessary to find a Supplier to take the Exports. It will also require amendments to the MRA and possibly to the Distribution licence.
- If Modification Proposal P07, presently with the Authority for decision, is approved it will not be necessary to include the amendment of the definition for Exempt Export BM Unit.

11 SUMMARY OF REPRESENTATIONS

This section summarises the responses to the consultation document issued on 8 January 2002. Copies of the detailed responses are included in Annex 7.

Eleven responses (representing 40 Parties) were received to the consultation. Seven of these responses (representing eighteen Parties) felt that the Modification Proposal would better facilitate achievement of the Applicable BSC Objectives. Two responses (representing five Parties) felt that the Modification Proposal would not better facilitate achievement of the Applicable BSC Objectives. One response (representing fourteen Parties) felt that the Modification Proposal could possibly better facilitate achievement of the Applicable BSC Objectives and one response (representing three Parties) abstained.

Five of the responses (representing twenty seven Parties) felt that the Alternative Modification would better facilitate achievement of the Applicable BSC Objectives. Three responses (representing three Parties) felt that the Alternative Modification would not better facilitate achievement of the Applicable BSC Objectives. One response (representing two Parties) felt that the Alternative Modification facilitate achievement of the Applicable BSC Objectives equally with the Modification Proposal and one response (representing three Parties) abstained.

The questions asked in the consultation are shown below:-

No.	Question
1	Does P055 meet the requirements of Section B: para. 1.2.1(b)(iii) of the BSC in "...promoting effective competition in the generation and supply of electricity," ?
2	Does the 'Alternative Modification' better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above.
3	Would the 'Alternative Modification' better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above, were it to apply only to licenced Suppliers ?
4	Even if P055 were made, should the Alternative Modification be made also, to avoid the need for those Parties that are licenced Suppliers to transfer the registration of Metering Systems from SMRS to CMRS? (N.B./ Given that a Proposed Modification <i>and</i> an Alternative Modification cannot both be made, this would require the Modification Group to develop a different Alternative Modification, being the combination of the Proposed and Alternative Modifications.).
5	Should the present mechanisms for Cost Recovery be retained for these Sites / Metering Systems ?
6	Should the CVA BSCP's for these Sites / Metering Systems apply in relation to – <ul style="list-style-type: none"> • Meter Advance Reconciliation (quarterly for CVA / annually for SVA); and • Sealing of Metering Equipment ?
7	Do you foresee problems with the potential volume of registrations for 1 April 2002, based on the existing requirements in BSCP68 ?
8	Does the Central Services Provider foresee problems in carrying out Proving Tests within the timescales required in BSCP20 for any Metering System transferred from SVA to CVA with an Effective Date of 1 April 2002 ?
9	What are your views on keeping CVA registered Metering Systems for connections to the Transmission System and SVA Metering Systems for connections to Distribution Systems and embedded networks ?
10	Are you happy for both Parties to see both Import and Export metered values (assuming that CDCA and SVA Data Collectors retrieve all Measurement Quantities from the Metering System) ?

12 SUMMARY OF TRANSMISSION COMPANY ANALYSIS

An impact assessment was received from NGC. It is included in Annex 7 as response P55_ASS_005.

13 PROJECT BRIEF

No Project Brief has been prepared as no software changes to BSC Systems will be required.

ANNEX 1 – PROPOSED TEXT TO MODIFY THE BSC

Modification Proposal

Conformed Version

Section J

4.1.7 *Where the same Metering Equipment at an Exemptable Generation Plant is comprised both in an SVA Metering System and a CVA Metering System:*

- (a) *the Party which is Registrant of the CVA Metering System shall secure that the same person is appointed as Meter Operator Agent in relation to the CVA Metering System as is appointed in relation to the SVA Metering System;*
- (b) *the Supplier which is Registrant of the SVA Metering System shall provide the Registrant of the CVA Metering System with details of the Meter Operator Agent in relation to the SVA Metering System;*
- (c) *both such Parties shall ensure that the person so appointed as Meter Operator Agent is appropriately Accredited;*
- (d) *both such Parties shall notify the nominated Meter Operator Agent of its appointment at least five Business Days before such appointment is to come into effect and (if practicable) give it at least five Business Days' notice of the termination of its appointment.*

4.1.8 *Where the same Metering Equipment at an Exemptable Generating Plant is comprised in both an SVA Metering System and a CVA Metering System, and the same Outstation(s) are used for the purposes of transferring data relating to both Metering Systems:*

- (a) *the Party which is Registrant of the SVA Metering System shall provide the Registrant of the CVA Metering System with details of the Data Collector appointed in relation to the SVA Metering System;*
- (b) *the Party which is Registrant of the CVA Metering System shall request the CDCA to provide access (pursuant to Section R1.4.7 and subject to the proviso in Section R1.4.6) to the relevant Communications Equipment to such Data Collector.*

Section K

Amend K2.1.2 to read:

"... measures quantities of Exports, or Exports and Imports, at the Site of an"

and delete 'provided that'.

Section L

1.1.5 *Where the same Metering Equipment at an Exemptable Generating Plant is comprised in both an SVA Metering System and a CVA Metering System:*

- (a) *the Registrant of each such Metering System shall so inform BSCCo and shall provide to BSCCo details of such Metering Systems and the identities of the Registrants;*
- (b) *where there is any conflict or inconsistency between the requirements applying (pursuant to this Section L) to such Metering Equipment as CVA Metering Equipment and as SVA Metering Equipment, then the provisions relating to CVA Metering Systems shall apply.*

Annex X-1

Amend the definitions of CVA Metering Equipment and SVA Metering Equipment by adding at the end "(whether or not also comprised in [an SVA Metering System] [a CVA Metering System])".

Alternative modification

Note: It will not be necessary to include the further amendment of the definition (to exclude the EEBMU from being a Supplier BM Unit under K4.4.1) if P7 is approved

Section K

Amend K4.4:

4.4.1(a) would read "... but not containing more than one relevant Supplier BM Unit"".

4.4.2 would be amended to read:

4.4.2 For the purposes of paragraph 4.4.1:

- (a) [existing text]
- (b) a relevant Supplier BM Unit is any Supplier BM Unit which is not itself an Exempt Export BM Unit."

Annex X-1

Amend the definitions of Exempt Export BM Unit to exclude the text about CVA Metering Systems.

Clean Version

Section J

4.1.6 No amendment required.

4.1.7 Where the same Metering Equipment at an Exemptable Generation Plant is comprised both in an SVA Metering System and a CVA Metering System:

- (a) the Party which is Registrant of the CVA Metering System shall secure that the same person is appointed as Meter Operator Agent in relation to the CVA Metering System as is appointed in relation to the SVA Metering System;
- (b) the Supplier which is Registrant of the SVA Metering System shall provide the Registrant of the CVA Metering System with details of the Meter Operator Agent in relation to the SVA Metering System;
- (c) both such Parties shall ensure that the person so appointed as Meter Operator Agent is appropriately Accredited;
- (d) both such Parties shall notify the nominated Meter Operator Agent of its appointment at least five Business Days before such appointment is to come into effect and (if practicable) give it at least five Business Days' notice of the termination of its appointment.

4.1.8 Where the same Metering Equipment at an Exemptable Generating Plant is comprised in both an SVA Metering System and a CVA Metering System, and the same Outstation(s) are used for the purposes of transferring data relating to both Metering Systems:

- (a) the Party which is Registrant of the SVA Metering System shall provide the Registrant of the CVA Metering System with details of the Data Collector appointed in relation to the SVA Metering System;
- (b) the Party which is Registrant of the CVA Metering System shall request the CDCA to provide access (pursuant to Section R1.4.7 and subject to the proviso in Section R1.4.6) to the relevant Communications Equipment to such Data Collector.

Section K

Amend K2.1.2 to read:

"... measures quantities of Exports, or Exports and Imports, at the Site of an"
and delete 'provided that'.

Section L

1.1.5 Where the same Metering Equipment at an Exemptable Generating Plant is comprised in both an SVA Metering System and a CVA Metering System:

- (a) the Registrant of each such Metering System shall so inform BSCCo and shall provide to BSCCo details of such Metering Systems and the identities of the Registrants;
- (b) where there is any conflict or inconsistency between the requirements applying (pursuant to this Section L) to such Metering Equipment as CVA Metering Equipment and as SVA Metering Equipment, then the provisions relating to CVA Metering Systems shall apply.

Annex X-1

Amend the definitions of CVA Metering Equipment and SVA Metering Equipment by adding at the end "(whether or not also comprised in [an SVA Metering System] [a CVA Metering System])".

Alternative modification

Note: It will not be necessary to include the further amendment of the definition (to exclude the EEBMU from being a Supplier BM Unit under K4.4.1) if P7 is approved

Section K

Amend K4.4:

4.4.1(a) would read "... but not containing more than one relevant Supplier BM Unit".

4.4.2 would be amended to read:

4.4.2 For the purposes of paragraph 4.4.1:

- (a) [existing text]
- (b) a relevant Supplier BM Unit is any Supplier BM Unit which is not itself an Exempt Export BM Unit."

Annex X-1

Amend the definitions of Exempt Export BM Unit to exclude the text about CVA Metering Systems.

ANNEX 2 – PROPOSED TEXT TO MODIFY BSCCO MEMORANDUM AND ARTICLES OF ASSOCIATION

No change required.

ANNEX 3 – BSC AGENT IMPACT ASSESSMENTS

An impact assessment was received from the NETA Central Services Provider which is shown below.

NETA Change Form		MP/CP/TP No: MP55	
		Logica reference: ICR170	
Title: BSC Conflicts with Consolidation of Embedded Generation in Central Volume Allocation			
Identified by: Smartest Energy Limited		Date received: 7 th Jan 2002	
Statement of requirement			
Baseline affected: None			
Assumed changes over baseline: NETA Service Definition Baseline (V1.0)			
Description of Change: See attached original MP55			
Proposed solution: See attached original MP55			
Justification for Change: See attached original MP55			
Proposed changes to Service Levels: None			
Proposed changes to the Agreement: None			
Attachments/references: MP55			
To be completed by Logica			
	High Level Impact Assessment	Detailed Level Impact Assessment	Quotation
Tick which stage is being completed:	✓		
Signed by Logica Contract Manager:			
Date:	14 th Jan 2002		
DLIA category: Small /Medium/ Large /Other		Price for DLIA: To be advised	
If this is a Quotation, are consequential modifications needed to the DLIA? N/A			

Logica's proposal
<p>Logica's understanding of the requirement:</p> <p>This HLIA considers the relevant aspects of the attached MP55 and Modification Consultation document. In particular, those issues associated with the development, implementation and operation of this proposal together with a specific assessment of:</p> <ol style="list-style-type: none"> 1. The extent to which the Logica consortium (using the existing process defined in BSCP 68) is able to manage the migration of varying levels of Export only metering systems. This assessment should consider the simultaneous transfer of varying volumes i.e. 50, 100, 150, and 200 sites both in accordance with existing BSCP timescales and identify opportunities for adopting accelerated timescales. This assessment should also highlight any amendment to the current costs for operating this process. 2. The development, implementation and operation of the revised migration process as outlined in the consultation document. This should assess development and operational costs and timescales together with any volumetric assumptions and constraints.
<p>Logica's proposed design solution:</p> <p>The main issues with Modification Proposal MP55 are concerned with the mechanism and volumes associated with the transfer. Based on volume assumptions that envisaged very low levels of registration activity, a manual approach to registration was taken for go live. It should be noted that Logica are still expecting a change proposal for BSCP68 as this was inadvertently added as a non-material difference to the URS.</p> <p>The existing processes and current staffing levels will only support up to a maximum of 50 simultaneous site transfers, provided overtime is worked. The tasks involved are not solely paperwork related, but also require staff to visit the sites (sealing meters etc). It would not be possible to handle the higher volumes without IMServ transferring staff from other areas of NETA and training them to handle registrations as the registration activities are activities which could not be performed by temporary staff. This would place at risk the underlying NETA services that are provided in these other areas.</p> <p>We have estimated that handling the simultaneous transfer of 200 sites would require around 3 additional full-time staff that would each require around two weeks of training. The risk of errors occurring in the registration process would also increase. All of these factors will mean that as the volume of simultaneous site transfers increases, the price per transfer will also increase and a change to the current pricing structure would be necessary for this activity.</p> <p>This assessment has assumed that each transfer requires the registration of the following:</p> <ul style="list-style-type: none"> • BM Unit • metering system • meter technical details • Aggregation rules for both BM Units and GSP groups <p>IMServ have proposed that the transfers are managed by ELEXON in the same way as the PEF transfer scheme.</p>
<p>Consequential changes to Project Deliverables:</p>

Consequential impact on BSC Service Users or Other Service Providers:		
Testing strategy: n/a		
Management plan for developing the Change:		
Project plan for developing the Change:		
Method of deployment:		
Patch/Release n/a	Is a planned outage required? n/a	
Price for Design and Build:		
Item description:	Price	Type of price:
	n/a	n/a
Price for Operate and Maintain:		
Item description:	Price	Type of price:
Operate	£1500 per registration.	Indicative Based on around 20 transfers per month as originally envisaged. It should be noted that this price would increase as volumes rise, due to overtime, training and the increase in the number of errors.
Maintain	n/a	n/a
If this is a DLIA or Quotation, is a price breakdown in the agreed format attached? Yes/No		
Terms attaching to the offer		
Validity period of offer: 30 days	Type of offer: Indicative	
Assumed start date:		
Payment milestones: Logica will invoice on a T&M basis.		
Document turnaround time: 5 days		
Impact on Service Levels: Potentially, for high volume registration.		
Impact on performance of the System:		
Other terms:		
If this is a Quotation, is a draft contract amendment attached? Yes/No		

Responsibilities of ELEXON:

Assumptions made by Logica:

- Price does not include provision for indexation of daily rates with effect from 1st April 2002.
- The Service Description will have been updated by ELEXON and agreed with Logica prior to commencement of work.
- For all formal documentation which is subject to review, Logica shall provide one draft issue and a maximum of 5 working days has been allowed for ELEXON to review and comment on the updates. No allowance is included for addressing comments from ELEXON and only one iteration of all reviewed documents has been included in the price.
- Within reasonable levels, ELEXON will make available appropriate staff to assist Logica during the development of this change.

Options and alternatives:

ANNEX 4 – CORE INDUSTRY DOCUMENT IMPACT ASSESSMENTS

No impact assessments were received from Core Industry Document holders.

ANNEX 5 – TRANSMISSION COMPANY ANALYSIS

An impact assessment was received from NGC. It is included in Annex 7 as response P55_ASS_005.

ANNEX 6 – TERMS OF REFERENCE AND REPORT/ANALYSIS OF EXTERNAL CONSULTANTS/ADVISERS

No report or analysis was requested or received from external consultants or advisers.

ANNEX 7 – RESPONSES TO CONSULTATION AND IMPACT ASSESSMENT

Responses from P55 Assessment Consultation

Consultation issued 08 January 2002

Representations were received from the following parties:

No	Company	File Number	No. Parties Represented
1.	TXU	P55_ASS_001	1
2.	Scottish & Southern Energy plc	P55_ASS_002	4
3.	SEEBOARD	P55_ASS_003	1
4.	British Energy	P55_ASS_004	3
5.	NGC	P55_ASS_005	1
6.	ScottishPower	P55_ASS_006	7
7.	British Gas Trading	P55_ASS_007	1
8.	London Electricity Plc	P55_ASS_008	5
9.	Western Power Distribution	P55_ASS_009	1
10.	RWE Trading Ltd	P55_ASS_010	1
11.	SmartestEnergy Limited	P55_ASS_011	1

P55_ASS_001 – TXU

P55 Modification Comments

- Para 1.2 states that “consolidation” can only happen for CVA (or CMRS) registered Metering Systems. We would prefer to see a set of rules that made no distinction as to which Registration System a Metering System is in. We accept that the rules for “reading, MARs, sealing, etc” will be different between CVA and SVA as this was the whole point of having different Registration Systems. However, the energy derived and allocated as a result of these readings should be “traded” in the same way.
- If we went with the Alternative then the SVAA would (could) need to send BM Unit Metered Volumes to the SAA with –ve numbers in – apparently this is not currently permitted ?

Philip Russell

Appendix II - Questionnaire

No.	Question	Response
1	Does P055 meet the requirements of	Possibly – it may be a quick technical fix to a

	Section B: para. 1.2.1(b)(iii) of the BSC in “..promoting effective competition in the generation and supply of electricity,” ?	perceived problem, but if the real issue is about having enough demand to realise the embedded benefits then this Mod without P7 seems a lot of effort in a short space of time for little benefit.
2	Does the ‘Alternative Modification’ better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above.	It would if the MRA allowed it to.
3	Would the ‘Alternative Modification’ better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above, were it to apply only to licenced Suppliers ?	No
4	Even if P055 were made, should the Alternative Modification be made also, to avoid the need for those Parties that are licenced Suppliers to transfer the registration of Metering Systems from SMRS to CMRS? (N.B./ Given that a Proposed Modification <i>and</i> an Alternative Modification cannot both be made, this would require the Modification Group to develop a different Alternative Modification, being the combination of the Proposed and Alternative Modifications.).	Yes
5	Should the present mechanisms for Cost Recovery be retained for these Sites / Metering Systems ?	Yes – we do not have any time to develop anything else.
6	Should the CVA BSCP's for these Sites / Metering Systems apply in relation to – <ul style="list-style-type: none"> • Meter Advance Reconciliation (quarterly for CVA / annually for SVA); and • Sealing of Metering Equipment ? 	Yes
7	Do you foresee problems with the potential volume of registrations for 1 April 2002, based on the existing requirements in BSCP68 ?	Possibly
8	Does the Central Services Provider foresee problems in carrying out Proving Tests within the timescales required in BSCP20 for any Metering System transferred from SVA to CVA with an Effective Date of 1 April 2002 ?	N/A
9	What are your views on keeping CVA registered Metering Systems for	Yes please

	connections to the Transmission System and SVA Metering Systems for connections to Distribution Systems and embedded networks ?	
10	Are you happy for both Parties to see both Import and Export metered values (assuming that CDCA and SVA Data Collectors retrieve all Measurement Quantities from the Metering System) ?	Yes

P55_ASS_002 – Scottish & Southern Energy plc

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 ten questions listed in Appendix II of your note of 7th January 2002 concerning Modification 055, our comments are as follows:

1 No

2 Yes

3 Yes

4 No

5 We are concerned that the aspect of who pays for the implementation of the proposed Modification (and its ongoing operation) are not detailed in the Impact Assessment. It appears, as currently drafted, that the development and implementation costs of this proposed Modification will largely be borne by all physical traders, with the ongoing operations met through the general CVA metering system charge levied on all CVA registrants.

We would like to note that in similar circumstances Modification Proposal 17 was primarily rejected because the proposed Modification did not address the issue of recharging costs to the Party Agent. Equally, LEGs have an exemption from the normal BM Unit charging principles when they are split into a Production and a Consumption BM Unit. The charge is borne by the Consumption BM Unit registrant i.e. the supplier. The rationale had been that it would be local suppliers of demand in the GSP Group that would be the natural consolidators of these sites. This rationale may need to be questioned if this proposed Modification signals a wholesale move of these sites away from local suppliers otherwise there is the potential for an upward pressure on the prices offered to customers.

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Regards

Garth Graham

Scottish & Southern Energy plc

P55_ASS_003 – SEEBOARD

Appendix II – Questionnaire

As a general point we feel that this is a rather complex modification which is difficult to fully understand. From our point of view we would wish to encourage consolidators and avoid registration and operational problems. **There is a risk that by rushing this through problems could arise.** Both the original and alternative modifications seem to make sense and achieve different things. Therefore, consolidation of these two to make a new alternative might provide the best solution. Responses to the questions are given below.

	No. Question	Response
1	Does P055 meet the requirements of Section B: para. 1.2.1(b)(iii) of the BSC in "promoting effective competition in the generation and supply of electricity," ?	Yes
2	Does the 'Alternative Modification' better meet the requirements of Section B: para.1.2.1(b)(iii), as in 1 above.	Yes
3	Would the 'Alternative Modification' better meet the requirements of Section B: para.1.2.1(b)(iii), as in 1 above, were it to apply only to licensed Suppliers ?	Yes
4	Even if P055 were made, should the Alternative Modification be made also, to avoid the need for those Parties that are licensed Suppliers to transfer the registration of Metering Systems from SMRS to CMRS? (N.B./ Given that a Proposed Modification and an Alternative Modification cannot both be made, this would require the Modification Group to develop a different Alternative Modification, being the combination of the Proposed and Alternative Modifications.).	Under current arrangements we would have to answer no, but we feel that a new combined main and alternative proposal could be the best way forward.
5	Should the present mechanisms for Cost Recovery be retained for these Sites /Metering Systems ?	Yes
6	Should the CVA BSCP's for these Sites /Metering Systems apply in relation to – Meter Advance Reconciliation (quarterly for CVA / annually for SVA);and Sealing of Metering Equipment?	Yes
7	Do you foresee problems with the potential volume of registrations for 1 April 2002, based on the existing requirements in BSCP68?	We would like to see the existing volume levels detailed within v3.2 sect 4.6 adhered to.
8	Does the Central Services Provider foresee problems in carrying out Proving Tests within the timescales required in BSCP20 for any Metering System transferred from SVA to CVA with an Effective Date of 1 April 2002?	N/A
9	What are your views on keeping CVA registered Metering Systems for connections to the	No comments.

	Transmission System and SVA Metering Systems for connections to Distribution Systems and embedded networks?	
10	Are you happy for both Parties to see both Import and Export metered values (assuming that CDCA and SVA Data Collectors retrieve all Measurement Quantities from the Metering System) ?	Yes

P55_ASS_004 – British Energy

British Energy has the following comments on P55

The initial proposal creates an added layer of complexity, and increases the likelihood of metering errors and disputes. There are likely to be significant and costly system implications, which have neither been estimated nor justified.

The alternative proposal appears to be more attractive, being much simpler to implement and achieving the principal objective of allowing licence exempt generation to be incorporated into a Trading Unit.

The timescale for assessment and consultation on this amendment has been contracted under a direction by Ofgem. Given the heavy workload that the BSC Panel and the industry is already dealing with, we do not agree that this modification should have been given a “fast track”. Although certain parties may regard this modification as urgent, it is not addressing a fundamental weakness in the trading arrangements, and should therefore not have been accorded any special priority.

Rachel Ace

for

British Energy Power & Energy Trading Ltd

British Energy Generation Ltd

Eggborough Power Ltd

P55_ASS_005 – NGC

Response to Questionnaire

No.	Question	Response
1	Does P055 meet the requirements of Section B: para. 1.2.1(b)(iii) of the BSC in “..promoting effective competition in the generation and supply of electricity,” ?	Yes
2	Does the ‘Alternative Modification’ better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above.	Yes
3	Would the ‘Alternative Modification’ better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above, were it to apply only to licenced Suppliers ?	Ideally it should be simpler to register small embedded generation in SVA rather than CVA

4	Even if P055 were made, should the Alternative Modification be made also, to avoid the need for those Parties that are licenced Suppliers to transfer the registration of Metering Systems from SMRS to CMRS? (N.B./ Given that a Proposed Modification <i>and</i> an Alternative Modification cannot both be made, this would require the Modification Group to develop a different Alternative Modification, being the combination of the Proposed and Alternative Modifications.).	Yes
5	Should the present mechanisms for Cost Recovery be retained for these Sites / Metering Systems ?	Yes
6	Should the CVA BSCP's for these Sites / Metering Systems apply in relation to – <ul style="list-style-type: none"> • Meter Advance Reconciliation (quarterly for CVA / annually for SVA); and • Sealing of Metering Equipment ? 	Yes
7	Do you foresee problems with the potential volume of registrations for 1 April 2002, based on the existing requirements in BSCP68 ?	The issue is whether there should be a limit on the volume of registrations. Once decided if subsequent changes to BSCP68 are required these should be included in the Modification
8	Does the Central Services Provider foresee problems in carrying out Proving Tests within the timescales required in BSCP20 for any Metering System transferred from SVA to CVA with an Effective Date of 1 April 2002 ?	Central Service Provider Issue
9	What are your views on keeping CVA registered Metering Systems for connections to the Transmission System and SVA Metering Systems for connections to Distribution Systems and embedded networks ?	The existing BSC requirement (in section K2.1.1(a)) is for CVA registration of all metering equipment associated with Plant or Apparatus which is directly connected to the Transmission System. The issues raised in this modification do not affect this requirement in the BSC.
10	Are you happy for both Parties to see both Import and Export metered values (assuming that CDCA and SVA Data Collectors retrieve all Measurement Quantities from the Metering System) ?	Yes

P55_ASS_006 – ScottishPower

With reference to the above consultation, please find below our response:-

We support the Alternative, which is simpler and allows sites to remain in SVA rather than wholesale transfers to CVA taking place. It basically achieves the intention of the original mod but without the added complications of reregistering BM Units in CMRS; having to appoint different DCs for Export and Import Meters; and all the associated issues of accreditation for DCs and MOAs. There is still a requirement to alter the wording of the MRA to allow non-Suppliers to provide the consolidation services intended by the original, but, overall, we believe this to be a much simpler method of tackling the problem.

However, there may still be sites wanting to transfer to CVA. The Alternative will not cater for these. Therefore while it may be appropriate to progress the modification as a matter of urgency, to allow implementation by 1st April, the original proposal still needs to be considered alongside this, for sites which want to transfer for other reasons. A number of other issues need to be brought into the equation before an enduring solution can be met, including settlement costs in CVA versus SVA, use of faxes & paper in transfer processes versus DTN etc.

We also believe that the possibility for parties using this mod to merely looking for a way of unburdening itself of some of the entry process requirements, which existing licensees have to meet, thus avoiding costs and therefore gaining a competitive advantage should not be allowed. The point of introducing consolidation services is to allow competition to develop, not to allow some market participants to get an advantage.

As currently drafted, it seems the development and implementation costs will largely be borne by all physical traders and ongoing operations met through the general CVA metering system charge levied on all CVA registrants. We have no real objection to spreading the cost across all Parties whether they intend to use the additional Trading Unit functionality or not.

It is noteworthy that the issue of how to share the burden of costs across Parties, whether they use additional functionality or not, has been raised by us in respect of previous Mod proposals (P7 for instance). We would expect that, provided costs are reasonable, this should not be an obstacle to our support for the Alternative.

We therefore believe that the Alternative should be progressed now, but need to take a broader look at the differences between CVA and SVA to understand where the dividing lines should really be drawn.

This probably needs more time than Ofgem are currently allowing.

Also, please find below answers to the questionnaire:-

1. Yes
2. Yes
3. No
4. Yes, we feel that the Alternative should be considered first.
5. No real objection to spreading the cost across all Parties whether they intend to use the additional Trading Unit functionality or not.
6. Yes - but there are complications when sites move from CVA into SVA which need to be fully considered. Procedures need to be drawn up.
7. Possibly, particularly if the Alternative is not enforced. We need more time to assess.
8. Don't know. We need more time to assess.
9. OK. But there are already several generation sites in CVA who may not wish to transfer back.
10. We respect the need for confidentiality in certain circumstances. The trading rules state which parties should receive which data. Import is measured as import kW and import and export kVAr, while export is measured as export kW and import and export kVAr. Practically, all channels can be retrieved by both CVA and SVA parties if the site is registered in both systems. If the data collector

can only send the appropriate channels to their suppliers etc, so much the better. If not, the supplier etc should have an obligation to discard this data as being additional to their requirements.

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,

Man Kwong Liu

Calanais Ltd.

For and on behalf of: -

ScottishPower UK Plc.

SP Manweb Plc.

SP Energy Trading Ltd.

SP Generation Ltd.

Scottish Power Energy Retail Ltd.

Emerald Power Generation Ltd.

SP Transmission Ltd.

P55_ASS_007 – British Gas Trading

Appendix II - Questionnaire

No	Question	Response
1	Does P055 meet the requirements of Section B: para. 1.2.1(b)(iii) of the BSC in “..promoting effective competition in the generation and supply of electricity,” ?	Yes. The modification will help consolidation and therefore will help stimulate competition.
2	Does the 'Alternative Modification' better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above.	The intent of the Proposer appears to be to allow a non-licensed party to split imports from exports and allow consolidation of exports to occur in CVA without changing SVA import arrangements. The alternative does not address this.
3	Would the 'Alternative Modification' better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above, were it to apply only to licenced Suppliers ?	Maybe, although as the modification was intended to help non-licensed parties this option will not necessarily meet the objectives of the modification.
4	Even if P055 were made, should the Alternative Modification be made also, to avoid the need for those Parties that are	P55 will achieve the objectives of the modification so it is difficult to see what more the implementation of the current alternative along with original would add.

	<p>licenced Suppliers to transfer the registration of Metering Systems from SMRS to CMRS? (N.B./ Given that a Proposed Modification and an Alternative Modification cannot both be made, this would require the Modification Group to develop a different Alternative Modification, being the combination of the Proposed and Alternative Modifications.).</p>	
5	<p>Should the present mechanisms for Cost Recovery be retained for these Sites / Metering Systems ?</p>	
6	<p>Should the CVA BSCP's for these Sites / Metering Systems apply in relation to – Meter Advance Reconciliation (quarterly for CVA / annually for SVA); and Sealing of Metering Equipment ?</p>	
7	<p>Do you foresee problems with the potential volume of registrations for 1 April 2002, based on the existing requirements in BSCP68 ?</p>	<p>Yes, possibly. This depends on whether the Central Systems are able to deal with an annual change in registration of multiple sites. Also that the systems of successful bidders in the auction would be able to cope with the registration of the number sites they win.</p>
8	<p>Does the Central Services Provider foresee problems in carrying out Proving Tests within the timescales required in BSCP20 for any Metering System transferred from SVA to CVA with an Effective Date of 1 April 2002 ?</p>	
9	<p>What are your views on keeping CVA registered Metering Systems for connections to the Transmission System and SVA Metering Systems for connections to Distribution Systems and embedded networks ?</p>	<p>The nature of an auction means that it will probably be a different set of sites that will be consolidated by a bidder in each round. This potentially means large numbers of sites moving from CVA to SVA and vice versa for many sites on the auction date. The switching will mean an administrative cost and potential delays to the implementation of contracts for suppliers.</p>

		Whilst we support consolidation and recognise that this modification may represent the best way forward we believe efforts made to ensure the transfer process between SVA and CVA is as fast and efficient and possible.
10	Are you happy for both Parties to see both Import and Export metered values (assuming that CDCA and SVA Data Collectors retrieve all Measurement Quantities from the Metering System) ?	No. The two should be kept separate.

**P55_ASS_008 – London Electricity Plc
Comment**

London Electricity is committed to aiding smaller and embedded generators by way of breaking the barriers to consolidation. However, it has become apparent to us that P055 or its alternative modification will be very time consuming for suppliers in terms of man-hours if it is to be implemented, and consequently we feel that a delivery date of 1 April 2002 is unlikely to be achievable.

We believe that the original Modification proposal offers greater flexibility for the sale of output from embedded generation. However a disappointing consequence is that both the purchaser of the export and provider of the supply must appoint the same Meter Operator Agent. It would be wholly unsatisfactory, and counter to the established principles of the Supplier Hub, that the Supplier should be 'told' which MOA to appoint. We would wish to see a solution where the Supplier has precedence in selecting the MOA.

We would agree that solutions that open the scope for embedded generators to sell their output are to be encouraged. However, if there is no benefit to the other classes of market participant, we believe it would be inappropriate to require those other classes of market participant to fund the development and operational costs.

No.	Question	Response
1	Does P055 meet the requirements of Section B: para. 1.2.1(b)(iii) of the BSC in "...promoting effective competition in the generation and supply of electricity," ?	P055 is thought to meet the requirements because it will hopefully make embedded generation more financially viable and therefore more attractive for potential market entrants, enhancing competition.

2	Does the 'Alternative Modification' better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above.	It seems that it would due to the fact that it would allow a LEG to be an exempt export BM unit and take advantage of the rest of the consolidator functionality in Section K, and therefore reduce barriers to consolidation. However, we would need more time to fully assess its implications.
3	Would the 'Alternative Modification' better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above, were it to apply only to licensed Suppliers ?	If it were to apply to licensed suppliers only, the Alternative Modification would not help to break barriers to consolidation to the same extent as if it applied to LEGs. Again we would need more time to fully assess its implications.
4	Even if P055 were made, should the Alternative Modification be made also, to avoid the need for those Parties that are licensed Suppliers to transfer the registration of Metering Systems from SMRS to CMRS? (N.B./ Given that a Proposed Modification and an Alternative Modification cannot both be made, this would require the Modification Group to develop a different Alternative Modification, being the combination of the Proposed and Alternative Modifications.).	It would seem not.
5	Should the present mechanisms for Cost Recovery be retained for these Sites / Metering Systems ?	LE are subscribers to the fundamental notion that any costs ought to be paid by those parties giving rise to them.
6	Should the CVA BSCP's for these Sites / Metering Systems apply in relation to – Meter Advance Reconciliation (quarterly for CVA / annually for SVA); and Sealing of Metering Equipment ?	Yes.
7	Do you foresee problems with the potential volume of registrations for 1 April 2002, based on the existing requirements in BSCP68 ?	We think it unlikely that there will be problems with the potential volume of registrations.
8	Does the Central Services Provider foresee problems in carrying out Proving Tests	N/A.

	within the timescales required in BSCP20 for any Metering System transferred from SVA to CVA with an Effective Date of 1 April 2002 ?	
9	What are your views on keeping CVA registered Metering Systems for connections to the Transmission System and SVA Metering Systems for connections to Distribution Systems and embedded networks ?	This idea seems satisfactory to us.
10	Are you happy for both Parties to see both Import and Export metered values (assuming that CDCA and SVA Data Collectors retrieve all Measurement Quantities from the Metering System) ?	Yes

Name: Liz Anderson

Company: London Electricity Group Plc

BSC Parties Represented: London Electricity Plc, SWEB Ltd, Jade Power Generation Ltd, Sutton Bridge Power Ltd and TXU West Burton Power Limited.

P55_ASS_009 – Western Power Distribution

P055 – First Consultation

Appendix II - Questionnaire

1	Does P055 meet the requirements of Section B: para. 1.2.1(b)(iii) of the BSC in “..promoting effective competition in the generation and supply of electricity?”	YES
2	Does the ‘Alternative Modification’ better meet the requirements of Section B: para.1.2.1(b)(iii), as in 1 above.	Not Better - It meets it equally as well and, being simpler than the original proposal, is preferable.
3	Would the ‘Alternative Modification’ better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above, were it to apply only to licenced Suppliers ?	NO
4	4 Even if P055 were made, should the Alternative Modification be made also, to avoid the need for those Parties that are licenced Suppliers to transfer the	YES – Anything that will minimise the number of transfers from SMRA to CRA is welcome so this option should be

	registration of Metering Systems from SMRS to CMRS? (N.B./ Given that a Proposed Modification and an Alternative Modification cannot both be made, this would require the Modification Group to develop a different Alternative Modification, being the combination of the Proposed and Alternative Modifications.).	available to those Suppliers/Traders who wish to take advantage of it.
5	Should the present mechanisms for Cost Recovery be retained for these Sites /Metering Systems ?	Distribution Business and SMRA incur significant costs when a transfer is made as the process is primarily a manual one.
6	Should the CVA BSCP's for these Sites /Metering Systems apply in relation to – Meter Advance Reconciliation (quarterly for CVA / annually for SVA); to – Sealing of Metering Equipment ?	Insufficient time available to properly assess.
7	Do you foresee problems with the potential volume of registrations for 1 April 2002, based on the existing requirements in BSCP68 ?	Yes – The earlier batch of transfers caused numerous difficulties and these should be resolved and documented in a new version of the BSCP68 before any further transfers take place.
8	Does the Central Services Provider foresee problems in carrying out Proving Tests within the timescales required in BSCP20 for any Metering System transferred from SVA to CVA with an Effective Date of 1 April 2002 ?	N/A
9	What are your views on keeping CVA registered Metering Systems for connections to the Transmission System and SVA Metering Systems for connections to Distribution Systems and embedded networks ?	Insufficient time available to properly assess.
10	Are you happy for both Parties to see both Import and Export metered values (assuming that CDCA and SVA Data Collectors retrieve all Measurement Quantities from the Metering System) ?	Yes –

P55_ASS_010 – RWE Trading Ltd

Response to Modification Proposal 55 - Balancing and Settlement Code Conflicts with consolidation of Embedded Generation in Central Volume Allocation

Thank you for the opportunity to respond to Modification Proposal 55 submitted 30th November 2001 by Smartest Energy. RWE Trading Direct Limited believe that there may be some merit in a proposal of this type, however are unable to fully support acceptance of this modification at this time when it is well recognised that there are still many factors yet to be revealed. There is a considerable amount of work to be completed by the existing expert groups looking into the whole issue of the difficulties that the current Trading Arrangements pose for consolidation and embedded generation, the result of which will have ramifications for amendments to the Balancing and Settlement Code.

The stated purpose of this modification, submitted by Smartest Energy, is to enable the provision of consolidator services to small and embedded generators in order to provide the benefits of the NETA markets and a competitive price for their energy comparable to that available to larger generators and portfolio players. The introduction of the NETA arrangements sought to create an environment whereby those who create system imbalances would be responsible for the costs incurred in any

associated corrective action. It is widely acknowledged that this would prove problematic for the small and embedded generation participant community and a number of expert groups were established to look at the problem as a whole, namely the Consolidation Development Group, Consolidation Working Group, Unpredictable Renewables Sub Group and the Demand Side Working Group.

In order that this modification be given full and proper consideration it would be useful for the investigative work currently being undertaken as part of the whole review of small and embedded generation issues to have progressed somewhat from where it currently lies. This proposal, if implemented out of sequence with whatever transpires as OFGEM/DTI's ultimate policy decision, could add further complication to already muddled waters.

It is far from clear how, if at all, it is possible for a company choosing to register sites within CVA as opposed to the SVA systems will be able to ensure that the meter information and access is secure to such a level that enables auditability to a point where the robustness of the settlement system is guaranteed to a level acceptable to the BSC Audit.

OFGEM have directed the BSC panel to receive the P55 Assessment Report one month earlier than the panel and Elexon originally intended due to perceived constraints imposed by the NFPA Auctions. To date one company have been allowed dispensation to register sites within the CVA system as proposed, however the administrative obstacles this exercise revealed gives cause for concern for all other participants with regard to the security of the settlement system as a whole. To proceed at this pace would, in our view, introduce undue expense and complication.

On 7th January 2002 Elexon issued a consultation document and have included an alternative modification based on Trading Unit functionality, historically a complex area of the Trading Arrangements, pre and post NETA. There has been limited discussion of this alternate proposal to date which rises cause for concern.

Appended to this response is our completed questionnaire, as requested within the consultation. Our overriding message is one of caution. Smartest Energy believes that Modification Proposal 55 will provide a solution to the problems of consolidators and embedded generators regarding embedded benefit. In isolation this single amendment cannot resolve all issues, many of which solely comprise the commercial, and therefore confidential, arrangements which exist between a Supplier and their Customer.

Our view is that we as an industry should proceed with caution rather than hastily recommend support due to external pressures when the financial (dis)benefits have yet to be identified. In addition appropriate cost recovery mechanisms should be agreed in order that the industry can fully assess the impact of amendments which carry with them significant administrative and audit overheads.

We fully support any initiative which provides for flexibility and innovation however would advise that the complexity of this particular area of the Trading Arrangements require that the existing expert groups in conjunction with DEFRA, DTI, OFGEM and Elexon continue to fully explore a more holistic approach to the identified problems inherent within the existing NETA framework for the embedded generation community.

Yours sincerely

JOHN OVER
Chief Executive

RWE Trading Direct Limited Response to Modification Proposal 55 - Balancing and Settlement Code Conflicts with Consolidation of Embedded Generation in Central Volume Allocation

Question 1

RWE Trading Direct Limited would be concerned if this modification were implemented in isolation of other commercial and licensing issues yet to be addressed as part of a holistic solution for embedded generation. In addition a full understanding of the system, audit and cost recovery issues have yet to be assessed.

Question 2

This solution may offer a technical solution to this problem, however the underlying commercial arrangements between the Site and Supplier are not addressed and may prove difficult to overcome thus rendering this proposal obsolete.

Question 3

RWE Trading Direct Limited would be concerned if this modification were implemented in isolation of other commercial and licensing issues yet to be addressed as part of a holistic solution for embedded generation. In addition a full understanding of the system, audit and cost recovery issues have yet to be assessed.

Question 4

RWE Trading Direct Limited would be concerned if either modification were implemented in isolation of other commercial and licensing issues yet to be addressed as part of a holistic solution for embedded generation. In addition a full understanding of the system, audit and cost recovery issues have yet to be assessed.

Question 5

A decision on this issue can only be made once a full assessment of the costs, policing and audit implications has been completed.

Question 6

A decision on these issues can only be made once a full assessment of the costs, policing and audit implications has been completed.

Question 7

Yes if Elexon receive too many requests at one time. There is provision within the BSC for each case to be dealt with on its merit and this capability should be utilised.

Question 8

N/A to RWE Trading Direct Limited.

Question 9

If the alternate modification as currently drafted delivers the functionality it appears to be proposing then there would be no need for large scale amendment to the current arrangements, however there is still much debate to be had regarding the modification as currently drafted.

Question 10

Individuals may have commercial constraints why such arrangements would not be appropriate.

P55_ASS_011 – SmartestEnergy Ltd Appendix II - Questionnaire

No.	Question	Response
1	Does P055 meet the requirements of Section B: para. 1.2.1(b)(iii) of the BSC in “..promoting effective competition in the generation and supply of electricity,” ?	Yes
2	Does the ‘Alternative Modification’ better	No. SmartestEnergy believe that this would

	meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above.	work better as a separate modification
3	Would the 'Alternative Modification' better meet the requirements of Section B: para. 1.2.1(b)(iii), as in 1 above, were it to apply only to licenced Suppliers ?	Yes. SmartestEnergy believe that this is the most appropriate approach for the alternative. Use of the DTN and SVA related dataflows would still require extensive testing for consolidators, such that they may not save much in terms of time and costs in relation to becoming a full supplier.
4	Even if P055 were made, should the Alternative Modification be made also, to avoid the need for those Parties that are licenced Suppliers to transfer the registration of Metering Systems from SMRS to CMRS? (N.B./ Given that a Proposed Modification <i>and</i> an Alternative Modification cannot both be made, this would require the Modification Group to develop a different Alternative Modification, being the combination of the Proposed and Alternative Modifications.).	Yes. SmartestEnergy would however prefer that the Alternative is re-presented as a separate Modification
5	Should the present mechanisms for Cost Recovery be retained for these Sites / Metering Systems ?	Yes
6	Should the CVA BSCP's for these Sites / Metering Systems apply in relation to – <ul style="list-style-type: none"> • Meter Advance Reconciliation (quarterly for CVA / annually for SVA); and • Sealing of Metering Equipment ? 	Yes
7	Do you foresee problems with the potential volume of registrations for 1 April 2002, based on the existing requirements in BSCP68 ?	Yes. SmartestEnergy believe that the arbitrary limits on applications for transfers are a result of resource constraints with the Transfer Coordinator, and that such constraints should not interfere with the operation of parties within the trading arrangements.
8	Does the Central Services Provider foresee problems in carrying out Proving Tests within the timescales required in BSCP20 for any Metering System transferred from SVA to CVA with an Effective Date of 1 April 2002 ?	N/A
9	What are your views on keeping CVA registered Metering Systems for connections to the Transmission System and SVA Metering Systems for connections to Distribution Systems and embedded networks ?	This would still present to consolidators the problems associated with supplier entry. Even if the requirement to hold a Supply Licence is removed the entry process require by MRASCO, which is likely to still apply because use of the DTN is required, will still mean that a party that

		has to operate or wishes to operate in SVA will have to complete the vast majority of testing required to actually become a Supplier.
10	Are you happy for both Parties to see both Import and Export metered values (assuming that CDCA and SVA Data Collectors retrieve all Measurement Quantities from the Metering System) ?	Yes

In reference to Paragraph 5.5.1 we believe that changes to the BSC would also be required in order to remove this restriction. Specifically Paragraphs:

Section K

1.2.1 Subject to the further provisions of this Section K, the Party responsible (in accordance with paragraph 1.2.2 below) for any Exports or Imports of electricity at a Boundary Point shall:

- (a) install, maintain and operate or secure that there is installed, maintained and operated, subject to and in accordance with Section L, Metering Equipment by which (over periods and otherwise in accordance with the further requirements of the Code) the quantities of such Exports and Imports separately can be measured, but subject to the provisions of Section S8 as to Unmetered Supplies;
- (b) **register the Metering System(s) which result or will result from installation of such Metering Equipment, in accordance with paragraph 2;**
- (c) establish and register BM Unit(s) comprising the relevant Plant and Apparatus in accordance with paragraph 3;
- (d) assign each BM Unit to a Trading Unit established and registered in accordance with paragraph 4.

2.4.1 Subject to paragraph 2.4.2, where a Boundary Point Metering System is not permitted to be, or (if it is permitted, but not obliged) is not, registered in CMRS, the Metering System shall be registered in SMRS; and the responsible Party shall be deemed to comply with the requirement in paragraph 1.2.1(b) by complying with the further requirements of this paragraph 2.4 and of the Code relating to registration in SMRS.

2.4.2 Only a Supplier may comply with the requirement in paragraph 1.2.1(b) pursuant to paragraph 2.4.1.

2.4.5 The provisions of Annex K-1 (as to the Master Registration Agreement) shall apply.

Annex K-1

2. SUPPLIERS' OBLIGATIONS

2.1 Obligation to become party

2.1.1 Each Supplier requiring Services under and as defined in the Master Registration

Agreement shall become a party to the Master Registration Agreement and shall use its BSC/V1.01.1 reasonable endeavors to fulfill the conditions precedent set out in the Master Registration Agreement applicable to it as soon as reasonably practicable after it has become a party to the Master Registration Agreement.

Potentially an Amendment to the definition of Supplier may also be required.

"Supplier": means a Party which holds a Supply Licence and is responsible for Exports and/or Imports for which such Party is required, by virtue of Section K, to register one or more SVA Metering Systems;

ANNEX 8 – SUMMARY OF CONSULTATION RESPONSES

Question No.	Response from (& Parties Represented)					
	TXU (14)	S & S (4)	Seeb (1)	Brit. En (3)	NGC (1)	ScotPower / Manweb (7)
1	Possibly – it may be a quick technical fix to a perceived problem, but if the real issue is about having enough demand to realise the embedded benefits then this Mod without P7 seems a lot of effort in a short space of time for little benefit.	No	Yes		Yes	Yes
2	It would - if the MRA allowed it to.	Yes	Yes		Yes	Yes
3	No	Yes	Yes		Should be simpler to register small embedded gen. in SVA rather than CVA.	No
4	Yes	No	No - for current proposal BUT combined main and alternative could be		Yes	Yes – Alternative should be considered first.

			OK			
5	Yes – we do not have any time to develop anything else.	Concerns over who pays ? P017 rejected because it did not address recharging costs to the Party Agent. Concept of Consolidat or	Yes		Yes	No objection to spreading cost across all Parties
6	Yes	-	Yes		Yes	Yes – complications when sites move from CVA to SVA - need to be considered.
7	Possibly	-	Keep existing volume levels in BSCP68		If there is to be a change to limit volume of registrations , this should be included in the Proposal.	Possibly, particularly if the Alternative is not enforced – need more time to assess.
8	N/A	N/A	N/A	N/A	N/A	Need more time to assess
9	Yes	-	-		K2.1.1(a) Requirement is for any directly connected Plant or Apparatus to be	OK – but there may be sites now in CVA who do not wish to transfer back to SVA !

					registered in CVA. Therefore this proposal does not affect requirement of K2.1.1(a)	
10	Yes	-	Yes		Yes	Confidentiality should be respected. If DC only sends relevant measureme nt quantities to Parties, OK – otherwise Parties should have an obligation to discard data additional to their requirement s ????

General	Prefer to see a set of rules which did not differentiate between Registration Systems, with energy traded in the same way.	-	<p>Wish to encourage consolidators, but avoid registration and operational problems.</p> <p>Risk by rushing mod through.</p> <p>Original and alternative achieve different things. Combination of the two might provide best solution</p>	<p>Proposal creates additional layer of complexity – likelihood of metering errors and dispute queries. Cost implication could be significant – neither estimated or justified in paper.</p> <p>Alternative appears more attractive – simpler to implement – whilst allowing LEGs to be incorporated into a Trading Unit.</p> <p>Proposal should not have been accorded any priority and given 'fast track' status.</p>	-	
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Question No.	Response from (& Parties Represented)					
	British Gas Trading (1)	Smartest Energy (1)	London Elect. (5)	Western Power Dist. (2)	RWE Trading (1)	ELEXON Clive Cushion
1	Yes	Yes	Yes	Yes	No – not in isolation	A greater distinction between Proposal and Alternative can be made on another BSC Objective – ‘Promoting efficiency in the implementation and administration of the balancing and settlement arrangements’.
2	The intention of the Proposal is to allow a non-licensed party to consolidate Exports in CVA without changing SVA Imports. The Alternative does not address this.	No – would work better as a separate modification	We believe so – but need more time to assess.	Not better – equal, but simpler – preferable.	No – not in isolation	
3	Maybe – the Modification was intended to help non-licensed parties – the Alternative does not necessarily meet those objectives.	Yes – most appropriate approach for Alternative. Saves on Accreditation and use of DTN flows, etc for consolidators.	No – would not help to break barriers to consolidation to the same extent as if applied to LEGs. Need more time fully assess.	No	No – not in isolation	
4	P055 will achieve the objectives – difficult to see what extra the alternative would add.	Yes – but presented as separate Modification.	No	Yes – anything which minimises transfers from SMRS to CMRS is welcome. This option should be available to Traders wishing to use it	No – not in isolation	

5	-	Yes	LE believe costs should be recovered from those giving rise to them.	Dist. Bus. and SMRA costs significant because transfers are manual process.	? Full assessment of costs/policing and audit required before decision	
6	-	Yes	Yes	Insufficient time to assess fully.	Full assessment of costs/policing and audit required before decision	
7	Yes – possibly, dependent on whether Central Systems are able to deal with annual changes to registrations. NOTE: Next auction in another 6 months time!	Yes	Unlikely	Yes – earlier batch of transfers caused problems and these should be resolved and documented in new version of BSCP68 before any more transfers take place.	Yes	
8	N/A	N/A	N/A	N/A	N/A	N/A
9	Nature of auction means there could be a different set of sites 'consolidated' by a bidder in each round. Potential for large numbers of site moving between Registration Systems – could mean increased administrative costs and delays in implementation of contracts. Efforts should be made to ensure transfer process is as fast and efficient as possible.	Would still present the consolidators with Supplier Entry issues.	Yes – seems satisfactory	Insufficient time to assess fully.	If the Alternate modification , as drafted, delivers the required functionality there would not be need for large scale changes to current arrangements. Debate still needed on current drafting.	Aligning CMRS and SMRS with Transmission and Distribution connections respectively is preferable – would make policing for assurance that all energy flows are properly accounted for.
10	No – data should be kept separate	Yes	Yes	Yes	No	

General		<p>Ref: para. 5.5.1 – would still require changes paragraph's in Section K, as follows: 1.2.1 (b) 2.4.2 2.4.5; and to Annex K-1; para.2 – Supplier Obligations</p>	<p>Committed to aiding consolidation. P055 will be very time consuming, if implemented. Effective Date of 1 April 2002 unlikely to be achievable.</p> <p>Modification Proposal offers greater flexibility. Issue over having to appoint the same MOA – counters the principle of Supplier Hub – prefer to see solution where Supplier has precedence in selecting MOA.</p> <p>If there is no benefit to other classes (other than embedded generators) then inappropriate for 'other classes' to fund development or operational costs.</p>		<p>Cannot fully support. Should proceed with caution. Cost Recovery mechanisms need to be agreed to assess impact of amendments which carry significant admin. and audit overheads.</p>	
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