

Responses from P81 Draft Report Consultation

Consultation issued 25 October 2002

Representations were received from the following parties:

No	Company	File Number	No. Parties Represented
1.	NGC	P81_DR_001	1
2.	Western Power Distribution	P81_DR_002	1
3.	Aquila Networks	P81_DR_003	1
4.	SEEBOARD	P81_DR_004	1
5.	YEDL/NEDL	P81_DR_005	2
6.	Scottish and Southern	P81_DR_006	4
7.	Scottish Power	P81_DR_007	5
8.	Npower	P81_DR_008	1
9.	Powergen	P81_DR_009	12
10.	LE Group	P81_DR_010	7

P81_DR_001 – NGC

We have no comments on the draft Modification Report for P81.

Clare Talbot
National Grid

P81_DR_002 – Western Power Distribution

Western Power Distribution welcomes the Panel decision to recommend acceptance of P81 alternative modification. However, we believe that the intention of the alternative modification was to fix the allowable exports at 16 amps per phase and consider that this level should be explicit within the BSC. Any future changes to the level of 16 amps per phase should be subject to a full modification process in line with BSC procedure.

The Panel decision to reserve the right to vary the allowable export level, although it will be subject to consultation and Authority approval, is effectively a different modification to the VAMG proposed alternative. We do not consider that it is appropriate for the alternative modification to be varied at the report stage of the consultation.

We therefore disagree with the proposed legal text change for BSC Section L1.5 as it is not consistent with P81 alternative and recommend that this aspect of the report be changed, in order to fix the allowable exports to 16 amps per phase

Graham Smith
Western Power Distribution

P81_DR_003 – Aquila Networks

Please find that Aquila Networks Plc response to P81 Removal of Requirement for Half Hourly Metering on Third Party Generators at Domestic Premises is 'No Comment.'

Regards,

Jason Guest (on behalf of Rachael Gardener)

Jason J Guest
Distribution Support Office
Aquila Networks plc

P81_DR_004 – SEEBOARD

With respect to draft modification report for P81 (Removal Of The Requirement For Half Hourly Metering On Third Party Generators At Domestic Premises) dated 25th October 2002. We agree that alternative modification should be made and with timescales for its implementation detailed in section 1.1 of that report.

Dave Morton
SEEBOARD Energy Limited

P81_DR_005 – YEDL/NEDL

YEDL and NEDL are concerned about the proposal that the Panel are allowed to make changes to the proposed modification without appropriate industry debate.

Could you please clarify this please?

Thanks

Sue Calvert

P81_DR_006 – Scottish and Southern

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

Further to your note of 25th October 2002, and the associated Draft Modification Report for P81, we agree with the proposed BSC Panel recommendation to the Authority that the Original Modification Proposal P81 should not be made.

We do not agree with the proposed BSC Panel recommendation that the Alternative Modification Proposal P81 should be made.

We are concerned that the impact on systems and processes, from Modification Proposal P81, may turn out to be expensive, unwieldy and lead to inaccuracy in the data entering settlements. Our suggestion as detailed in section 5.1 of the report is to use HH metering but with less onerous data collection requirements. This approach would minimise systems? changes in the short term and enable more analysis to be done to establish the best solution for the future. Indeed we believe that the applicable BSC Objective would be better met by using the £100k+ that would be spent, subsidizing HH data collection whilst this initiative gets off the ground and provides sufficient information to identify the most appropriate solution. This would also avoid system changes to the core SVA software.

We note that the proposed solution, of NHH metering, will not enable these generators to maximise rewards for their generation, i.e. micro CHP is likely to be generating at the winter daily peaks but profiling will not allow this to be measured explicitly.

In respect of the arguments outlined in regard to this Modification concerning the applicability of BSC Objective (c) we regard these as weak. We believe that this type of micro generation is unlikely to bring about 'competition in generation' unless it is installed in large numbers at which point the solution in the P81 Modification becomes unacceptable because it introduces inaccuracy/inefficiency in Settlements i.e. it would be counter to Objective (d). We note that the Modifications' Group were generally in agreement that the proposed solution was probably only suitable if numbers were small. The solution offered was that a Party could raise another Modification if numbers grew substantially. We would like to point out that it would be too late if we discovered that we should have used a HH solution in a couple of years and that it would significantly affect the marketplace for micro generation if they had developed their offering based on NHH only for HH to be required due to the problems we have identified here, and in our previous comments on P81, coming to fruition

Regards

Garth Graham
Scottish & Southern Energy plc

P81 Draft Modification Report Comments

With reference to the above, I would iterate our previous view in support of P81 Alternative.

However, we are concerned with the following issues discussed in the report and are not in support of the report unless the drafting is amended to reflect our comments: -

1. In Section 3 (page 6, Para 1), the Panel has suggested that implementation could be brought forward, despite the fact that the SVAA software will not have been rolled out by then. The risk of introducing errors into Settlement for a period of time is acknowledged (Section 7.2 of the Report), although the risk is downplayed in terms of the volume of NHH energy which will come through Settlement. It does not seem either sensible or efficient to us to deliberately introduce a small risk of Settlement error even if this is for a relatively short period of a few months. By introducing inefficiency in this way, the genuine benefits of increasing competition through P81 Alternative may be lost and could conceivably have other unforeseen repercussions for the Settlements systems in general. We believe that, for the sake of a few months, particularly when it is acknowledged that take up of the P81 solution will be minimal, it promotes both more efficiency in the trading arrangements and increases competition in generation to wait until the SVAA software is fully up to speed. We continue to support the original proposed implementation date which was suggested in the P81 Assessment Report, viz. 20 January 2004.
2. The Panel is seeking to have the right to change the capacity limit, albeit following a round of consultations and formal approval from the Authority. However, we believe that if Half Hourly metering is already in use at a site, for the sake of accuracy, it should remain. It may be discriminatory to deny a change of measurement class for those genuinely domestic sites that have HH metering at present. We feel that this could be resolved by using a sunset clause, and would ensure that those sites with a greater capacity will not be able to take advantage of any future shift in the capacity limit to have their metering swapped over.

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: - *Scottish Power Plc; ScottishPower Energy Trading Ltd.; Scottish Power Generation Plc.; ScottishPower Energy Retail Ltd.; SP Transmission Plc*

P81_DR_008 – Npower

With reference to your email dated 25th October, I wish to advise you that Npower Ltd's response is in agreement to the draft Modification Report and draft legal text in respect of P81.

Regards,

Ros Parsons
npower

P81_DR_009 – Powergen

P81 Modification Report Comments

This response is made on behalf of 12 BSC Parties* in the Powergen group.

Powergen supports the recommendation of the P81 Modification Group and the Panel that P81 Alternative modification should be implemented. We believe that the alternative proposal provides the best balanced solution, which does not require a major change to the existing profiling arrangements, but provides the degree of accuracy and flexibility required for small distributed generation.

We agree that a solution should not be limited to domestic premises and that a capacity limit should exist instead. The proposed flexibility for the Panel to change this limit also seems appropriate, given the requirement to consult the industry and seek Ofgem approval. Without this additional protection we would be concerned about the potential for the solution to be extended to classes of generation for which profiling is not appropriate.

We also agree with the changes proposed to the DTC to include a new data item identifying whether a register is measuring import or export and that new SSCs and CCCs will be required.

The only area of potential concern we have is regarding the potential data errors which could arise if data collectors and meter operators are not adequately trained, or if it is not sufficiently clear that a Non Half Hourly meter is measuring export. We assume that the service delivery team at Elexon will ensure that the performance assurance framework is sufficiently robust to this.

Yours sincerely,

Paul Jones

Trading Arrangements

(* Powergen UK plc, Powergen Retail Limited, Diamond Power Generation Limited, Cottam Development Centre Limited, Midlands Gas Limited, Western Gas Limited, TXU Europe (AHG) Limited, TXU Europe (AH Online) Limited, Citigen (London) Limited, Severn Trent Energy Limited (known as TXU Europe (AHST) Limited), TXU Europe (AHGD) Limited and Ownlabel Energy Limited.)

P81_DR_010 – LE Group

LE Group support the proposed changes recommended in the Draft Modification Report for BSC modification P81 "Removal of the Requirement for Half Hourly Metering on Third Party Generators at Domestic Premises". We believe that the alternative modification recommended in the paper represents the best solution in terms of its level of impact on the industry and in its capability to enable the settlement of micro-generation energy produced by both domestic and commercial customers.

Regards,

Alec Thompson

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

Representing the following BSC Parties:

London Electricity Group Plc, London Electricity Plc, Jade Power Generation Ltd, Sutton Bridge Power Ltd, West Burton Power, London Power Network Plc, and Eastern Power Network Distribution Ltd