

Responses P81 Assessment Consultation

Consultation issued 13 September 2002

Representations were received from the following parties:

No	Company	File Number	No. Parties Represented	No. Non-Parties Represented
1.	TXU Europe	P81_ASS_001	21	
2.	MicroGen – BG Group	P81_ASS_002		1
3.	SEEBOARD Power Networks	P81_ASS_003	1	
4.	YEDL/NEDL	P81_ASS_004	2	
5.	SEEBOARD Energy	P81_ASS_005	1	
6.	LE Group	P81_ASS_006	8	
7.				
8.	Scottish and Southern	P81_ASS_008	4	
9.	Scottish Power	P81_ASS_009	6	
10.	Npower (late response)	P81_ASS_010	9	
11.	Powergen (late response)	P81_ASS_011	4	
12.	Aquila Networks (late response)	P81_ASS_012	1	
13.		P81_ASS_013		
14.		P81_ASS_014		
15.		P81_ASS_015		
16.		P81_ASS_016		

P81_ASS_001 – TXU Europe

Respondent:	Philip Russell
BSC Party	Yes
Responding on Behalf of	21 Parties
Role of Respondent	Supplier

Q	Question	Response ¹	Rationale
1	Do you believe that the Modification Proposal P81 better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes	c) – reduces a barrier to entry for small scale generation by reducing the high fixed costs of installing and collecting from a HH Metering System.
2	Do you believe that the Alternative Modification Proposal as detailed in the consultation document better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes	c) – increases the potential scope of the market.
3	Do you agree with the VAMG view that the Alternative Modification should be recommended for approval and that the original Modification Proposal should be rejected (i.e. that the Alternative is better at facilitating the BSC Objectives than the original Modification Proposal)?	Yes	
4	Do you agree with the VAMG view that it is necessary to implement new NHH CCCs as described in this document? If not, why?	Yes	
5	Do you agree with the VAMG view that NHH Export readings should be treated as positive numbers? If not, why?	Yes	

6	Do you agree with the VAMG view that a new flag is required to mark SSCs as Import or Export and in doing so that a change to the D0269/D0270 is required? Why? If not, why?	Yes	We need to record which ones are Export somewhere.
7	Are there any further requirements on market participants that you believe have not been identified? If so please state.	Yes / No	
8	Do you have any further comments on P81 that you wish to make?	Yes / No	

P81_ASS_002 - MicroGen

Respondent:	Name Graham Roberts
BSC Party	Yes/No ¹ No
Responding on Behalf of	Please list all Parties responding on behalf of (including the respondent company if relevant) MicroGen – BG Group
Role of Respondent	(Supplier/Distribution Business/Generator/Meter Operator/DA/DC/Other – please state ¹) Other – developer of Domestic CHP unit

Q	Question	Response ¹	Rationale
1	Do you believe that the Modification Proposal P81 better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes / No	The proposal will extend competition and reduce overall costs
2	Do you believe that the Alternative Modification Proposal as detailed in the consultation document better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes / No	A capacity-based limit on the use of non-half-hourly meters will allow more competition than would a definition that allowed only domestic premises to be included.
3	Do you agree with the VAMG view that the Alternative Modification should be recommended for approval and that the original Modification Proposal should be rejected (i.e. that the Alternative is better at facilitating the BSC Objectives than the original Modification Proposal)?	Yes / No	See Q2.
4	Do you agree with the VAMG view that it is necessary to implement new NHH CCCs as described in this document? If not, why?	Yes / No	New Consumption Component Classes will help ensure consistency with the half-hourly market for export and will help ensure losses benefits (i.e. reductions) can be identified.

¹ Delete as appropriate

5	Do you agree with the VAMG view that NHH Export readings should be treated as positive numbers? If not, why?	Yes No	This seems to offer greatest simplicity (and therefore avoidance of error) for meter readers
6	Do you agree with the VAMG view that a new flag is required to mark SSCs as Import or Export and in doing so that a change to the D0269/D0270 is required? Why? If not, why?	Yes / No	No view
7	Are there any further requirements on market participants that you believe have not been identified? If so please state.	Yes / No	No view
8	Do you have any further comments on P81 that you wish to make?	Yes No	<p>For the consumers impacted by this proposal, simplicity, fairness and low cost are the key considerations.</p> <p>Given that the proposal requires import/export metering, the option for either a simple import/export meter, or a multi-rate import/export meter is welcomed. Both of these options must be kept open.</p> <p>We believe that the additional costs of a multi-rate import/export meter over a simple import/export meter may constitute an unnecessary barrier to the market in question, and may deliver no worthwhile accuracy improvement. Any additional metering complexity needs to be justified on a cost benefit basis against the financial worth of the likely increase in accuracy, and any additional value available to the consumer.</p>

P81_ASS_003 – SEEBOARD Power Networks

Respondent:	<i>Seeboard Power Networks</i>
BSC Party	Yes/ No ²
Responding on Behalf of	<i>Please list all Parties responding on behalf of (including the respondent company if relevant).</i>
Role of Respondent	(Supplier/Distribution Business/Generator/Meter Operator/DA/DC/Other – please state¹)

Q	Question	Response ¹	Rationale
1	Do you believe that the Modification Proposal P81 better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes / No	Applicable BSC Objective C The costs involved with the provision of half hourly metering would seem to be inappropriate for micro-generation.
2	Do you believe that the Alternative Modification Proposal as detailed in the consultation document better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes / No	Applicable BSC Objective C The costs involved with the provision of half hourly metering would seem to be inappropriate for micro-generation.
3	Do you agree with the VAMG view that the Alternative Modification should be recommended for approval and that the original Modification Proposal should be rejected (i.e. that the Alternative is better at facilitating the BSC Objectives than the original Modification Proposal)?	Yes / No	The definition in the Alternative Modification is consistent with the proposed Electricity Safety, Quality & Continuity Regulations, Engineering Recommendation G83 and the general definition of micro-generation. The Alternative Modification, therefore, better facilitates the BSC.

² Delete as appropriate

Q	Question	Response ¹	Rationale
4	Do you agree with the VAMG view that it is necessary to implement new NHH CCCs as described in this document? If not, why?	Yes / No	
5	Do you agree with the VAMG view that NHH Export readings should be treated as positive numbers? If not, why?	Yes / No	
6	Do you agree with the VAMG view that a new flag is required to mark SSCs as Import or Export and in doing so that a change to the D0269/D0270 is required? Why? If not, why?	Yes / No	The MMD data associated with SSC already includes a free format field "Standard Settlement Configuration Desc". Use of this to describe a SSC as Import or Export negates the requirement for a DTC file format change.
7	Are there any further requirements on market participants that you believe have not been identified? If so please state.	Yes / No	<ol style="list-style-type: none"> 1. The principles behind this modification are sound and the changes to the BSC are relatively uncomplex. However, a growth in micro-generation has the potential to cause significant operation problems in the market. 2. What mechanisms are considered necessary to ensure the robustness of data between suppliers and their agents?, for example in situations where there are different importing and exporting suppliers? or the existing supplier is unaware that his customer has installed micro-generation equipment?. <p>For example; under the principles adopted for meter splitting (BSCP 550) the original incumbent supplier is responsible for registering and trading the secondary MPAN subsequent to which a change of supplier is effected. This principle would appear to lend itself to the situation where a customer installs micro-generation, the incumbent supplier picks up the obligation to register and trade the export MPAN. Then, if necessary, a CoS can take place to the new export purchasing supplier.</p>
8	Do you have any further comments on P81 that you wish to make?	Yes / No	<ol style="list-style-type: none"> 1. The use of existing Profiles for micro-generation is appropriate in the short term where the expected population of micro-generators is small. However, we consider the principle should be accepted at this time that as the micro-

Q	Question	Response ¹	Rationale
			<p>generation population of grows such that a significant volume of energy is being settled that it will be necessary for new generation specific profiles to be created.</p> <p>2. The response is on the basis that no fundamental changes to Distribution IT systems or business process (other than a significant growth in the numbers of micro-generators with the consequential operational business process volumes) will be required and that any and all validation or process changes that may be identified lie within the supplier domain.</p>

P81_ASS_004 – YEDL/NEDL

Respondent:	<i>Sue Calvert</i>
BSC Party	<i>Yes³</i>
Responding on Behalf of	<i>Please list all Parties responding on behalf of (including the respondent company if relevant). NEDL and YEDL</i>
Role of Respondent	<i>(Supplier/Distribution Business/Generator/Meter Operator/DA/DC/Other – please state¹) Distribution Business</i>

Q	Question	Response ¹	Rationale
1	Do you believe that the Modification Proposal P81 better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes / No	
2	Do you believe that the Alternative Modification Proposal as detailed in the consultation document better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes / No	
3	Do you agree with the VAMG view that the Alternative Modification should be recommended for approval and that the original Modification Proposal should be rejected (i.e. that the Alternative is better at facilitating the BSC Objectives than the original Modification Proposal)?	Yes / No	
4	Do you agree with the VAMG view that it is necessary to implement new NHH CCCs as described in this document? If not, why?	Yes / No	

³ Delete as appropriate

5	Do you agree with the VAMG view that NHH Export readings should be treated as positive numbers? If not, why?	Yes / No	
6	Do you agree with the VAMG view that a new flag is required to mark SSCs as Import or Export and in doing so that a change to the D0269/D0270 is required? Why? If not, why?	Yes / No	
7	Are there any further requirements on market participants that you believe have not been identified? If so please state.	Yes / No	
8	Do you have any further comments on P81 that you wish to make?	Yes	There are costs involved, but NEDL and YEDL are happy to accept this change .

P81_ASS_005 – SEEBOARD Energy

Respondent:	<i>Dave Morton</i>
BSC Party	Yes
Responding on Behalf of	<i>SEEBOARD Energy Limited</i>
Role of Respondent	<i>Supplier</i>

Q	Question	Response ¹	Rationale
1	Do you believe that the Modification Proposal P81 better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	No	
2	Do you believe that the Alternative Modification Proposal as detailed in the consultation document better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes	Objective (c), as alternative allows for greater competition by expanding situations where this metering can be installed, i.e. small businesses.
3	Do you agree with the VAMG view that the Alternative Modification should be recommended for approval and that the original Modification Proposal should be rejected (i.e. that the Alternative is better at facilitating the BSC Objectives than the original Modification Proposal)?	Yes	There is a requirement to limit the capacity of plant installed in domestic premises. Consistency with Distribution Code Panel Review is sensible and will also encourage competition in supply in the small business market.
4	Do you agree with the VAMG view that it is necessary to implement new NHH CCCs as described in this document? If not, why?	Yes	
5	Do you agree with the VAMG view that NHH Export readings should be treated as positive numbers? If not, why?	Yes	

6	Do you agree with the VAMG view that a new flag is required to mark SSCs as Import or Export and in doing so that a change to the D0269/D0270 is required? Why? If not, why?	No	Option specified is one method of implementing this change. However, changes to D0269 and D0270 flows tend to be very expensive for participants. In fact two version of this flow still exist even though version 001 was supposed to be removed several months after version 002 was introduced. Given this problem an alternative should be considered. SSCs are detailed as a four character data item. Presently range of values used for this item is 0003 to 0937, with only 5 new values added since 1996. Instead of adding an export and import flag consideration should be given to setting up rules for these values similar to those used for MTCs. Definition could be, for example, that import SSCs are all in range 0000 to 4999 and export in range 5000 to 9999. However, a different breakdown of these ranges might be considered to reserve certain values for any future requirement. For example 0000 to 2999 for import 3000 to 6999 reserved and 7000 to 9999 for export. These rules can be detailed in DTC, and if required in BSCP 509, to ensure they are understood by all participants. In this scenario systems will only need to be amended to take account of this new logic rather than any new logic and changes to D0269/D0270 flows.
7	Are there any further requirements on market participants that you believe have not been identified? If so please state.	No	

8	Do you have any further comments on P81 that you wish to make?	Yes	At present where export and import is measured from one site that site will always have at least two metering points. It is assumed that this will still be case if this modification is implemented although it is not explicitly stated. This would mean that separate parties could trade import and export from that site. In this case would these need to be treated as a shared meter and given that they are NHH meters would new MTCs be required similar to those for shared HH meters?
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P81_ASS_006 – LE Group

Respondent:	<i>Name</i> LE Group
BSC Party	Yes
Responding on Behalf of	<i>Please list all Parties responding on behalf of (including the respondent company if relevant).</i> London Electricity Group Plc, London Electricity Plc, Jade Power Generation Ltd, Sutton Bridge Power Ltd, West Burton Power, London Power Network Plc, Eastern Power Network Distribution Ltd and ECS.
Role of Respondent	<i>Supplier/Distribution Business/Generator/Meter Operator/DA/DC</i>

Q	Question	Response ¹	Rationale
1	Do you believe that the Modification Proposal P81 better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes	The modification provides a settlement method that domestic customers can afford and, therefore, will facilitate BSC applicable objective (c) in promoting competition of generation of electricity by removing the requirement for HH metering.
2	Do you believe that the Alternative Modification Proposal as detailed in the consultation document better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes	As above including commercial premises.
3	Do you agree with the VAMG view that the Alternative Modification should be recommended for approval and that the original Modification Proposal should be rejected (i.e. that the Alternative is better at facilitating the BSC Objectives than the original Modification Proposal)?	Yes	The alternative creates a larger potential market by the inclusion of commercial premises with domestic up to the circuit rating threshold.
4	Do you agree with the VAMG view that it is necessary to implement new NHH CCCs as described in this document? If not, why?	Yes	

5	Do you agree with the VAMG view that NHH Export readings should be treated as positive numbers? If not, why?	Yes	
6	Do you agree with the VAMG view that a new flag is required to mark SSCs as Import or Export and in doing so that a change to the D0269/D0270 is required? Why? If not, why?	Yes	
7	Are there any further requirements on market participants that you believe have not been identified? If so please state.	No	
8	Do you have any further comments on P81 that you wish to make?	Yes	LE Group would like to take this opportunity to iterate our support to this modification, as recommended by the VAMG. We believe that the method used will be sufficiently accurate and inexpensive to implement to justify the current level of micro generation in the market. We would also welcome more accurate methodology for settlement of micro generation when the market develops to a level that will provide cost benefits

P81_ASS_008 – Scottish and Southern

Respondent:	<i>Name</i>
BSC Party	Yes/No ⁴
Responding on Behalf of	<i>Please list all Parties responding on behalf of (including the respondent company if relevant).</i>
Role of Respondent	<i>(Supplier/Distribution Business/Generator/Meter Operator/DA/DC/Other – please state¹)</i>

Q	Question	Response ¹	Rationale
1	Do you believe that the Modification Proposal P81 better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	No	Introduction of a profiling solution for exports will reduce the accuracy of settlements therefore reducing efficiency. The modification has no limitation on capacity thus potentially increasing this inaccuracy.
2	Do you believe that the Alternative Modification Proposal as detailed in the consultation document better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	No	However it is not as detrimental as the original Mod as at least the issue of capacity is addressed and capped. However policing the capacity limit may be more difficult.
3	Do you agree with the VAMG view that the Alternative Modification should be recommended for approval and that the original Modification Proposal should be rejected (i.e. that the Alternative is better at facilitating the BSC Objectives than the original Modification Proposal)?	No	Although the Alternative Modification is 'better' than the original we do not agree that either should be recommended.
4	Do you agree with the VAMG view that it is necessary to implement new NHH CCCs as described in this document? If not, why?	Yes	If meter readings are to be kept as positive values is there any other option?

⁴ Delete as appropriate

5	Do you agree with the VAMG view that NHH Export readings should be treated as positive numbers? If not, why?	Yes	
6	Do you agree with the VAMG view that a new flag is required to mark SSCs as Import or Export and in doing so that a change to the D0269/D0270 is required? Why? If not, why?	Yes	Essential to allocate EAC/AAs to correct CCC
7	Are there any further requirements on market participants that you believe have not been identified? If so please state.	No	
8	Do you have any further comments on P81 that you wish to make?	Yes	<p>We are concerned that the impact on systems and processes from the proposed modification may turn out to be expensive, unwieldy and lead to inaccuracy in the data entering settlements. Our suggestion is to benchmark these proposals against the most "friendly" version of the half-hourly metering solution that we believe is to meter exports with a simple half-hourly data logger in a M.O.S.T. framework allowing data to be collected and enter settlements up to 14 months in arrears. This would also provide a source of half-hourly data that could be deployed for designing a profiling solution at a later date if expedient.</p> <p>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.</p> <p>Although the 16 Amp per phase capacity limit could be more difficult to police than the Domestic criterion. It would help to limit the inaccuracy that would be introduced if there were no capacity restriction.</p>

P81_ASS_009 – Scottish Power

Respondent:	James Nixon
BSC Party	Yes
Responding on Behalf of	<i>Please list all Parties responding on behalf of (including the respondent company if relevant).</i> Scottish Power UK plc / SP Manweb Ltd / SP Transmission Ltd / Scottish Power Energy Retail Ltd / Scottish Power Energy Trading Ltd / Scottish Power Generation Ltd
Role of Respondent	<i>(Supplier/Distribution Business/Generator/Meter Operator/DA/DC/Other – please state 1)</i> Supplier/Distribution Business/Generator/Meter Operator/DA/DC

Q	Question	Response ¹	Rationale
1	Do you believe that the Modification Proposal P81 better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes / No	Yes, P81 meets the Applicable Objective promoting effective competition in generation and supply.
2	Do you believe that the Alternative Modification Proposal as detailed in the consultation document better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes / No	Yes, P81 meets the Applicable Objective promoting effective competition in generation and supply.
3	Do you agree with the VAMG view that the Alternative Modification should be recommended for approval and that the original Modification Proposal should be rejected (i.e. that the Alternative is better at facilitating the BSC Objectives than the original Modification Proposal)?	Yes / No	Yes. While P81 meets the Applicable Objective promoting effective competition in generation and supply, it is our view that the Alternative Modification Proposal better facilitates the BSC objectives than the original.
4	Do you agree with the VAMG view that it is necessary to implement new NHH CCCs as described in this document? If not, why?	Yes / No	Yes.
5	Do you agree with the VAMG view that NHH Export readings should be treated as positive numbers? If not, why?	Yes / No	Yes, this would significantly reduce the impact on Parties' systems.

6	Do you agree with the VAMG view that a new flag is required to mark SSCs as Import or Export and in doing so that a change to the D0269/D0270 is required? Why? If not, why?	Yes / No	Yes, we believe that this is necessary for the SVAA to be able to adequately distinguish between Import and Export SSCs upon receipt of the SPM from NHHDA. The creation of this new flag would facilitate such identification.
7	Are there any further requirements on market participants that you believe have not been identified? If so please state.	Yes / No	No.
8	Do you have any further comments on P81 that you wish to make?	Yes / No	No.

P81_ASS_010 – Npower

Respondent:	Richard Harrison
BSC Party	Yes
Responding on Behalf of	Innogy plc, Innogy Cogen Limited, Innogy Cogen Trading Limited, Npower Limited, Npower Direct Limited, Npower Northern Limited, Npower Northern Supply Limited, Npower Yorkshire Limited and Npower Yorkshire Supply
Role of Respondent	Supplier/Generator/Meter Operator/DA/DC

Q	Question	Response ¹	Rationale
1	Do you believe that the Modification Proposal P81 better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes	
2	Do you believe that the Alternative Modification Proposal as detailed in the consultation document better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes	BSC Objective – promoting effective competition in the generation and supply of electricity. We believe that the risk to settlements would not be any greater as there is no differentiation between small non-domestic and domestic premises, and using a generation capacity limit is therefore a more appropriate measure.
3	Do you agree with the VAMG view that the Alternative Modification should be recommended for approval and that the original Modification Proposal should be rejected (i.e. that the Alternative is better at facilitating the BSC Objectives than the original Modification Proposal)?	Yes	

4	Do you agree with the VAMG view that it is necessary to implement new NHH CCCs as described in this document? If not, why?	Yes	This would ensure consistency between the HH & NHH markets, and aid in subsequent reporting of NHH generation.
5	Do you agree with the VAMG view that NHH Export readings should be treated as positive numbers? If not, why?	Yes	
6	Do you agree with the VAMG view that a new flag is required to mark SSCs as Import or Export and in doing so that a change to the D0269/D0270 is required? Why? If not, why?	Yes	
7	Are there any further requirements on market participants that you believe have not been identified? If so please state.	No	
8	Do you have any further comments on P81 that you wish to make?	No	<p>When are the BSCP509 changes going to be progressed to support the increased Panel/SVG role in agreeing the SSCs?</p> <p>The fundamental problem with using a 'net' metering arrangement with the existing profiles is that for the CHP case, net import is likely to be a completely different shape from the standard profile. If this technology is going to have the potential market penetration suggested by the DTI, there is going to be a need to create a new profile for the generation element and a method for combining it with consumption profiles.</p>

P81_ASS_011 – Powergen

Respondent:	Powergen
BSC Party	Yes
Responding on Behalf of	Powergen UK plc, Powergen Retail Limited, Cottam Development Centre Limited & Diamond Power Generation Limited
Role of Respondent	Supplier & Generator

Q	Question	Response ¹	Rationale
1	Do you believe that the Modification Proposal P81 better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes	Promotion of effective competition. May cause worse performance under efficiency of balancing and settlement arrangements if not implemented carefully with proper controls to ensure data quality is not adversely affected.
2	Do you believe that the Alternative Modification Proposal as detailed in the consultation document better facilitates achievement of the Applicable BSC Objectives, if so, which one(s) and why?	Yes	In as much as it would allow business customers to benefit too from the arrangements and there is no reason why it should be constrained to domestic premises.
3	Do you agree with the VAMG view that the Alternative Modification should be recommended for approval and that the original Modification Proposal should be rejected (i.e. that the Alternative is better at facilitating the BSC Objectives than the original Modification Proposal)?	Yes	Assuming that suppliers will be able to practically identify the sites based on the capacity banding per phase. Little detail on how this could be administered and potentially policed has been provided.

4	Do you agree with the VAMG view that it is necessary to implement new NHH CCCs as described in this document? If not, why?	Yes	Seems sensible.
5	Do you agree with the VAMG view that NHH Export readings should be treated as positive numbers? If not, why?	Yes	We assume that the necessary detailed level impact assessment will be undertaken.
6	Do you agree with the VAMG view that a new flag is required to mark SSCs as Import or Export and in doing so that a change to the D0269/D0270 is required? Why? If not, why?	Yes	We assume that the necessary detailed level impact assessment will be undertaken.
7	Are there any further requirements on market participants that you believe have not been identified? If so please state.	No	
8	Do you have any further comments on P81 that you wish to make?	No	

P81_ASS_012 – Aquila Networks

Please find that Aquila Networks Plc response to P81 Assessment Consultation is 'Accept'.

regards
Rachael Gardener

Deregulation Control Group &
Distribution Support Office
AQUILA NETWORKS