

## Responses P87 Assessment Consultation

Consultation issued 15 August 2002

Representations were received from the following parties:

No	Company	File Number	No. Parties Represented
1.	Williams Energy	P87_ASS_001	1
2.	British Gas Trading	P87_ASS_002	1
3.	Powergen	P87_ASS_003	4
4.	Immingham CHP	P87_ASS_004	1
5.	SEEBBOARD	P87_ASS_005	1
6.	Aquila Networks	P87_ASS_006	1
7.	AEP Energy	P87_ASS_007	1
8.	Edison Mission	P87_ASS_008	2
9.	YEDL/NEDL	P87_ASS_009	2
10.	NGC	P87_ASS_010	1
11.	Innogy	P87_ASS_011	7
12.	Scottish Power	P87_ASS_012	5
13.	Scottish and Southern	P87_ASS_013	4
14.	LE Group (late response)	P87_ASS_014	4
15.	British Energy (late response)	P87_ASS_015	3
16.	Teesside Power (late response)	P87_ASS_016	1

P87\_ASS\_001 – Williams Energy

<b>Respondent name</b>	<b>Williams Energy</b>
<b>BSC Party</b>	<b>YES</b>
<b>Responding on Behalf of</b>	<b>Williams Energy</b>

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	No	Please give rationale: Each is distinctly different. System constraints are generic transmission limitations, which are generally known fairly well in advance and can be resolved in timely manner from a variety of options and are quite clearly within the realm of the BM and Balancing Services. Intertrip schemes are related to very specific/localised transmission limitations and again can be commercially resolved well in advance of need and should fall under Balancing Services. System faults however are an actual transmission event which whilst you can prepare to a degree, in practice are only able to react to them as they occur. Consequently each should be covered by appropriate bespoke compensation arrangements and it is really only system faults which needs some "default" arrangement.
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	No	Please give rationale: The former imposes an unexpected detriment to a BSC party and thus deserves greater compensation than the latter where it is a bilateral commercial agreement between NGC and a BSC party and thus that party has both the opportunity to negotiate terms and plan how to react.

Q	Question	Response <sup>1</sup>	Rationale
3.	Which potential solution do you believe best facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by ✓ appropriate box	Please give rationale on how the PS better facilitates the Applicable BSC Objectives:
	<b>PS1</b> - No correction to Settlement and no Extra Cashflow <b>PS2</b> - No correction to Settlement plus Extra Cashflow <b>PS3</b> - Compensation using Bid Offer Prices in BMWP <b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow <b>PS5</b> - BOA Correction with determined prices <b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow		It removes imbalance risk from the BSC Party concerned thus dealing with the key issue but does not artificially affect Energy Imbalance Prices. The BSC party will receive some compensation in terms of additional PX profit by not incurring running costs. As Intertrip schemes are pre-negotiated bilateral commercial agreements it seems appropriate that any extra cashflow deemed necessary to cover the BSC Party's commercial risks from having to trade out beyond the BMWP is pre-agreed bilaterally between NGC and that BSC Party. These negotiations could deal with fault duration and trading loss issues. Thus PS4 is first choice.
		PS4 = Best	
		(PS6 = second best)	
4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	Outside of BSC	Please give rationale: As noted above, as it forms part of bilateral commercial agreement with NGC it seems appropriate it should fall within the realm of Balancing Services and thus outside the BSC.
5.	P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	Yes	Please give rationale: Quite simply the trigger should be Transmission Access Go Live date/time!

Q	Question	Response <sup>1</sup>	Rationale
6.	Are there any further comments on Modification Proposal P87 that you wish to make?		<p>Please give your comments:</p> <p>It seems that the only issue that needs to be considered within the mechanism of the BSC is the removal of associated imbalance volume due to an inter-trip. Everything else seems appropriately handled within the specific Intertrip scheme bilateral commercial agreement between the BSC Party and NGC.</p>

#### P87\_ASS\_002 – British Gas Trading

<b>Respondent name</b>	British Gas Trading
<b>BSC Party</b>	<b>YES</b>
<b>Responding on Behalf of</b>	

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	Yes	<p>Please give rationale:</p> <p>We agree that this is a reasonable conceptualisation of the level of management options and competition available to the Transmission Company.</p>
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	Yes	Please give rationale:

3.	Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by ✓ appropriate box	<p>PS4 will better facilitate competition in the generation and supply of electricity by reducing the risks associated with intertrips. If participants are confident that they will not be exposed to imbalance prices and receive an appropriate level of compensation in the event of a system fault this should feed through into the Bid-Offer prices seen in the BM.</p> <p>The original proposal suggests that the TDC is the appropriate body to determine the correct level of compensation for these claims. We would question whether the members of the TDC will have sufficient expertise to assess any technical aspects associated with compensation claims.</p> <p>We believe that the Panel is the appropriate body, if any, to determine compensation payments.</p>
	<p><b>PS1</b> - No correction to Settlement and no Extra Cashflow</p> <p><b>PS2</b> - No correction to Settlement plus Extra Cashflow</p> <p><b>PS3</b> - Compensation using Bid Offer Prices in BMWP</p> <p><b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow</p> <p><b>PS5</b> - BOA Correction with determined prices</p> <p><b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow</p>		
		PS4	
4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	Outside of BSC	<p>Please give rationale:</p> <p>It has previously been clearly established that the BSC only deals with the actions within the BM window. Compensation should be for the duration of the fault which may extend beyond the BM window, therefore the only appropriate way to ensure that all the compensation is met is through arrangements outside of the Code.</p>

5.	<p>P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)</p>	<p>No</p>	<p>Modification proposals are meant to be assessed against the current BSC baseline. If it is believe that this proposal better facilitates the Applicable BSC Objectives then the modification should be made. If, in the wider context of the electricity industry, a change occurs that means these arrangements are no longer required a further modification proposal can be raised. This will ensure the proper assessment is made.</p> <p>In addition, it has been suggested that the sunset clause will act as an incentive to the industry to put enduring arrangements in place. However, there is little evidence to suggest that this issue is being effectively dealt with elsewhere.</p> <p>We also believe there are problems with finding an appropriate 'drop dead date' without needing to define 'Transmission Access' in the Code or establish some kind of precedence between the CUSC and BSC.</p>
6.	<p>Are there any further comments on Modification Proposal P87 that you wish to make?</p>		<p>Although we recognise the need for an appropriate compensation mechanism for intertrips we are not convinced that the best place for these arrangements is under the BSC.</p>

**P87\_ASS\_003 – Powergen**

<b>Respondent name</b>		Paul Jones	
<b>BSC Party</b>		<b>YES</b>	
<b>Responding on Behalf of</b>		Powergen UK plc, Powergen Retail Limited, Diamond Power Generation Limited & Cottam Development Centre Limited	
Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	Yes	<p>The range reflects the amount of choice and control NGC has in taking action. For constraints, NGC normally have a reasonable number of choices of who to constrain off or on. They can look at the associated bids and offers of those parties and choose to accept those which leads to the lowest cost solution to resolve the constraint. For transmission faults, NGC obviously have no choice in the matter except in how long they take to correct the fault. Somewhere in between there are intertrips which give NGC a degree more choice in that they can choose when to arm the intertrip, but do not know whether or when it will actually trip. Whilst we are in theory supportive of using bid offer acceptances (BOAs) for paying compensation for all three instances, we appreciate that there are concerns regarding its appropriateness for situations when there is little choice in whether or not to accept. These relate to the possibility of extreme bid prices being accepted, which were not made to recover compensation associated with faults or intertrips, which could result in extremely large amounts of money being paid to the party concerned.</p> <p>What this suggests is that the further you move down the spectrum of events from constraints towards faults the more the likelihood that extreme bids will be accepted as there is less that NGC can do to avoid them. Therefore, it could be argued that accepting bids is not appropriate, or that some form of safeguards should be put in place to avoid the effects of extreme bids translating into windfall payouts to parties.</p>

2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	Yes	<p>Please give rationale:</p> <p>This does not mean that we necessarily believe that faults and intertrips have to be compensated through an identical mechanism, but that the mechanisms should be consistent with each other. In other words if it is deemed appropriate to accept bids for system faults, it would be inconsistent to not accept them for intertrips over which NGC has more control. However, it may not be inconsistent to accept bids for intertrips, but not for faults, if it is deemed that the risk of extreme bids being accepted is too high in this instance.</p> <p>Given other factors however, we have decided that the same solution out of those listed in 3 below would be most appropriate for both types of event.</p>
----	--	-----	---

3.	Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by ✓ appropriate box	Please give rationale on how the PS better facilitates the Applicable BSC Objectives:
	<b>PS1</b> - No correction to Settlement and no Extra Cashflow <b>PS2</b> - No correction to Settlement plus Extra Cashflow <b>PS3</b> - Compensation using Bid Offer Prices in BMWP <b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow <b>PS5</b> - BOA Correction with determined prices  <b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow	<div>✓ PS6</div>	<p>We believe that PS6 in relation to intertrips better facilitates the BSC objectives in relation to competition and efficient operation of the transmission system.</p> <p>Whilst a system trip is largely outside NGC's control it is also outside the generator's too. It is clearly a system action and it would be inappropriate to expect the generator to pay SBP as a result of it being put into imbalance by the trip. PS6 deals with the problem of imbalance by removing it, effectively at a bid price of zero. This will avoid large negative bids causing windfall payments which would be paid for through BSUoS charges. We believe that PS6 provides the best balance of protection to generators and BSUoS payers in the rare event of an intertrip.</p>
4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	Outside of BSC	<p>Please give rationale:</p> <p>Any additional compensation should be a matter between NGC and the generator under the CUSC. The matter that concerns the BSC is the removal of the imbalance caused by the failure.</p>

5.	P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	No	Please give rationale:  All BSC clauses stand until they are modified or removed. It isn't necessary to include a clause which explicitly states this. If the modification is deemed to better meet the relevant BSC objectives, then it should be seen as a permanent change.
6.	Are there any further comments on Modification Proposal P87 that you wish to make?	No	Please give your comments:

#### P87\_ASS\_004 – Immingham CHP

Thank you for the opportunity for commenting on the P80/87 consultation questions.

It is clearly inequitable that BSC parties can be placed in imbalance by failures on the transmission system, and we support both modification proposals. There is an expectation that these matters will be dealt with on an enduring basis through changes to CUSC with implementation of a transmission access regime. There remain, however, significant question marks over the form and timing of an access regime, and these changes proposed by NGC need to be progressed expeditiously to provide for relief during the interim period.

Please let me know if you would like further clarification on our comments.

Maureen McCaffrey. Commercial Manager. Immingham CHP LLP

<b>Respondent name</b>	Conoco/Immingham CHP
<b>BSC Party</b>	<b>YES</b>
<b>Responding on Behalf of</b>	Conoco/Immingham CHP

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	Yes	A Party that is forced to deviate from FPN due to a "system fault" is likely to be commercially disadvantaged as a result of any actions it takes to rectify its physical position. The Party should be compensated for the full period of the forced deviation.
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	Yes	Irrespective of the reason for the deviation, they can have the same commercial effect.
3.	Which potential solution do you believe best facilitates the Applicable BSC Objectives for P80 with respect to Production BM Units? (Section 4.3 and 5.3)		PS4 appears to be the best option. "Windfall gains" are avoided but the Party is not exposed to imbalance during the BMWP because its contract notification would be corrected. Any costs associated with trading out of imbalance can be reclaimed via the "Extra Cashflow".
	<b>PS1</b> - No correction to Settlement and no Extra Cashflow <b>PS2</b> - No correction to Settlement plus Extra Cashflow <b>PS3</b> - Compensation using Bid Offer Prices in BMWP <b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow <b>PS5</b> - BOA Correction with determined prices <b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow	Production BM Units	
		<b>PS4</b>	
			This solution negates the need for Transmission Company management outside BMWP inherent in PS6 and also the significant negative impact on other Parties of PS3. A further advantage of this solution is that it does not require new administered prices for BSC Systems. We also believe warrants further consideration. This is because not all parties would be able in all circumstances to trade out imbalances in the period after the BMWP has expired but whilst the transmission failure endures. This is because either there is insufficient liquidity or the party does not have a trading capability (as is the case for many small players). In such circumstances it is clearly appropriate that further compensation is available to the distressed party. We would suggest parties should be obliged to use 'Reasonable endeavours'; to mitigate losses during this period but only to the extent that do not suffer a commercial loss.

Q	Question	Response <sup>1</sup>	Rationale
4.	Which potential solution do you believe best facilitates the Applicable BSC Objectives for P80 with respect to Consumption BM Units? (Section 4.3 and 5.3)	Consumption BM Units	Please give rationale on how the PS better facilitates the Applicable BSC Objectives:
	<b>PS1</b> - No correction to Settlement and no Extra Cashflow	<b>PS1</b>	This is not an ideal solution but better than any of the others. Option 3, 4, 5 & 6 would result in no real compensation as the Party would retain contract liabilities but not receive any real compensation.
	<b>PS2</b> - No correction to Settlement plus Extra Cashflow		
	<b>PS3</b> - Compensation using Bid Offer Prices in BMWP		
	<b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow		
	<b>PS5</b> - BOA Correction with determined prices		
	<b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow		
5.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	<b>Within BSC</b>	This is a marginal preference. The important outcome is that the problem should be dealt. Over the longer term, as a facet of transmission access, it is likely an enduring solution will be provided by CUSC.
6.	(a) Do you believe that compensation for P80 (Transmission System faults) should be limited to directly connected BM Units? (b) Do you believe that compensation for P80 (Transmission System faults) should include embedded BM Units? (Section 4.3.8)	<b>No</b>  <b>Yes</b>	All BM Units would potentially be exposed to imbalance and therefore should be compensated. At the same time we recognise that the calculation of compensation could be rather more difficult for embedded generators than for those directly connected to the transmission system.
7.	P80 did not propose the inclusion of a 'sunset clause'. As P80 has been assessed in parallel with P87, do you believe that there should be a 'sunset clause' that removes the compensation arrangements for system faults for system faults (P80) on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	<b>Yes</b>	We agree that compensation arrangements should be automatically removed on the introduction of Transmission Access arrangements <i>provided</i> there is a seamless transition. The trigger should be full implementation of equivalent arrangements under CUSC.

Q	Question	Response <sup>1</sup>	Rationale
8.	Are there any further comments on Modification Proposal P80 that you wish to make?	-	-

#### **P87\_ASS\_005 – SEEBOARD**

With respect to above mentioned modifications. We have no further comments to add to those raised during definition stage of P80 and have no strong views on option to take forward. We have no views on P87.

Dave Morton  
SEEBOARD Energy Limited

#### **P87\_ASS\_006 – Aquila Networks**

Please find that Aquila Networks Plc response to P80 & P87 Assessment Consultation is 'No Comment'.

regards  
Rachael Gardener

Deregulation Control Group &  
Distribution Support Office  
AQUILA NETWORKS

P87\_ASS\_007 – AEP Energy

Respondent name	Mick Walbank
BSC Party	YES / <del>NO</del> <sup>1</sup>
Responding on Behalf of	AEP Energy Services Ltd

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	Yes/ <del>No</del>	<p>Please give rationale:</p> <p><b>System constraints should be defined (broadly) as those events outside of the control of the generator and relating to faults occurring on NGC's connection or use of system assets.</b></p> <p><b>Two types of inter-trips should be defined. First, Inter-trips at generators who have agreed a connection agreement (with a derogation) that does not meet NGC's planning standards. Second inter-trips at generators with complaint connection agreements. This distinction should be made as the first category of generators has already received compensation, as they will have paid lower connection charges.</b></p>

Q	Question	Response <sup>1</sup>	Rationale
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	Yes/No	<p>Please give rationale:</p> <p><b>No. Generators should be compensated when a system faults occurs to ensure that NGC has appropriate incentives to maintain and operate the system efficiently.</b></p> <p><b>Generators with connection agreements that do not meet normal planning standards should not receive any compensation for intertrips. They have already received compensation through lower connection charges.</b></p> <p><b>Generators with compliant connection agreements should receive compensation.</b></p>

3.	Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by ✓ appropriate box	Please give rationale on how the PS better facilitates the Applicable BSC Objectives:
	<p>PS1 - No correction to Settlement and no Extra Cashflow</p> <p>PS2 - No correction to Settlement plus Extra Cashflow</p> <p>PS3 - Compensation using Bid Offer Prices in BMWP</p> <p>PS4 - QABC Correction in the BMWP plus Extra Cashflow</p> <p>PS5 - BOA Correction with determined prices</p> <p>PS6 - QABC Correction potentially enhanced by Extra Cashflow</p>	<div>✓</div> <div></div> <div></div> <div></div> <div></div> <div></div>	<p><b>As NGC has a range of constraint management tools available to it, compensation for generators with compliant connection agreements should be freely negotiated as a balancing services contract between NGC and the generator. If NGC and the generator cannot agree a price, no contract will be concluded and NGC will lose the right to inter-trip the station.</b></p> <p><b>The costs of these contracts would then be born by NGC under its SO incentive scheme.</b></p>
4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	<div>Within BSC/</div> <div><b>Outside of BSC</b></div>	<p>Please give rationale:</p> <p><b>The intertrip would be a contracted service between two parties, so should not be paid by the other BM units but by NGC under its SO incentive scheme.</b></p>
5.	P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	<div>Yes / No</div>	<p>Please give rationale:</p> <p><b>The modification could seek to remove NGC's rights to inter-trip generators with compliant connections. NGC would then have to conclude bilateral deals or lose its existing rights. A sunset clause would not be necessary as NGC could consider this issue when offering terms to generators.</b></p>

6.	Are there any further comments on Modification Proposal P87 that you wish to make?		Please give your comments: <b>Discussions should be held with NGC to determine whether this issue is best dealt with through a modification to the CUSC, BSC or charging methodology.</b>
----	--	--	--

#### P87\_ASS\_008 – Edison Mission

<b>Respondent name</b>	Cathy McClay
<b>BSC Party</b>	<b>YES <del>NO</del><sup>+</sup></b>
<b>Responding on Behalf of</b>	First Hydro Company, Edison First Power Ltd.

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	Yes	Please give rationale: System constraints, intertrips and system faults are all mechanisms by which a BM Unit is prevented from delivering to or off-taking from the transmission system. In effect, a system fault or intertrip can be viewed as an extreme constraint. As such, EME believe that constraints, intertrips and system faults should be treated in a consistent manner.
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	Yes	Please give rationale: As system constraints, intertrips and system faults are all mechanisms by which a BM Unit is prevented from delivering to or off-taking from the transmission system, EME believe they should be treated in a consistent manner.

3.	Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by ✓ appropriate box	Please give rationale on how the PS better facilitates the Applicable BSC Objectives:
	<p><b>PS1</b> - No correction to Settlement and no Extra Cashflow</p> <p><b>PS2</b> - No correction to Settlement plus Extra Cashflow</p> <p><b>PS3</b> - Compensation using Bid Offer Prices in BMWP</p> <p><b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow</p> <p><b>PS5</b> - BOA Correction with determined prices</p> <p><b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow</p>	<b>PS5</b>	<p>As already stated, EME believes that constraints, intertrips and system faults should all be treated in a consistent manner. Constraints are currently managed on the system by acceptance of bids and offers and so this approach should be extended to system faults and intertrips. However, EME recognises that participants regularly submit extreme bids and offers to indicate a desire not to deviate from the FPN and acceptance of these prices in the event of a system fault would result in extreme cash flows.</p> <p>EME therefore believe that a version of PS5 is the most appropriate solution. Disconnection offer and bid prices should be determined by each participant to reflect all lost income resulting from disconnection, rather than simply removing imbalance. The bid and offer prices should be set for a predetermined period, say one year. This would allow the system operator to refer any prices it considered inappropriate to the regulator and should prevent gaming of faults. Bid or offer volumes would be determined by reference to the FPN, which would be updated as normal.</p> <p>Requiring a disconnection price to be specified a year in advance, prevents participants from gaming a fault by altering prices within the duration of the fault. This ensures the efficient, economic and co-ordinated operation of the Licensee of the Licensee's Transmission System. The use of disconnection prices is a simple solution and therefore promotes efficiency in the implementation and administration of the balancing and settlement arrangements</p>

4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	Within BSC/ Outside of BSC	Please give rationale: Within the BSC
5.	P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	No	Please give rationale: <b>EME does not believe that there should be a sunset clause as this would impose a hierarchy of documentation. Alterations to the BSC should not be made by documents outside the governance of the BSC.</b>

6.	<p>Are there any further comments on Modification Proposal P87 that you wish to make?</p>		<p>Please give your comments:</p> <p>Key criteria that must form part of any solution are:</p> <ul style="list-style-type: none"> <li>• generators are compensated for the entire duration of fault. Participants will not attempt to recover all losses within the BM window and so prices should be cost reflective</li> <li>• disconnection prices should be known in advance to provide stability and allow challenge from NGC</li> <li>• there should not be discrimination against players who trade close to gate closure or against participants who do not make the majority of income from trading</li> <li>• given the likelihood of occurrence, the solution should be simple.</li> </ul> <p>The method for determining the FPN level for PS5 needs further clarification. The Consultation Paper is ambiguous on this point. In particular (as suggested in 5.1), if a daily PN position was 'frozen' as at the time of the system fault, this, would not necessarily provide adequate compensation going forward. for instance where the BMU was on a brief outage at the beginning of the system fault.</p> <p>Parties should therefore be allowed to update their PNs and FPNs as normal on an ongoing basis throughout the fault to determine the baseline from which bids/offers are accepted at the administered price.</p>
----	---	--	--

**P87\_ASS\_009 – YEDL/NEDL**

Due to holidays we have not been able to assess the two modification proposals.

Sue Calvert  
Distribution Change  
System Investment  
Gelderd Road

**P87\_ASS\_010 – NGC**

<b>Respondent name</b>	The National Grid Company Plc
<b>BSC Party</b>	<b>NO</b>
<b>Responding on Behalf of</b>	

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	Yes	Please give rationale: As P80 - We believe that system constraints, intertrips and system faults may be considered in terms of a spectrum where one end of the spectrum has no competition and any compensation should be considered in terms of losses incurred and the other end of the spectrum reflects potential competition and may form compensation within the Balancing Mechanism.

Q	Question	Response <sup>1</sup>	Rationale
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	Yes	Please give rationale: As P80 - Whilst we agree that intertrips and systems faults should be considered in a consistent manner we do not believe that this necessarily leads to the compensation being identical.
3.	Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by <input checked="" type="checkbox"/> appropriate box	Please give rationale on how the PS better facilitates the Applicable BSC Objectives:
	<b>PS1</b> - No correction to Settlement and no Extra Cashflow <b>PS2</b> - No correction to Settlement plus Extra Cashflow <b>PS3</b> - Compensation using Bid Offer Prices in BMWP <b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow <b>PS5</b> - BOA Correction with determined prices <b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow	<input type="checkbox"/>	PS1/PS2 Contractual arrangements could deal with compensation for both these solutions. However, the affected party would still be subject to imbalance.
		<input type="checkbox"/>	PS3 is the current arrangement for intertrips so does not better facilitate the objectives of the BSC.
		<input checked="" type="checkbox"/> PS4	PS4 We believe this solution better facilitates the BSC objectives as compensation is addressed during the BM window via the removal of the imbalance and a default compensation for losses. The party has the incentive to manage the risk of imbalance outside the BM and may have a contract with National Grid to cover the value of the intertrip.
		<input type="checkbox"/>	PS5/PS6 these are Ultra Vires to the BSC.
		<input type="checkbox"/>	
4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	Outside of BSC	Please give rationale: As P80 - We believe that only compensation due for the duration of the Balancing mechanism window should be considered within the BSC. Any other compensation required would be outside the vires of the BSC

Q	Question	Response <sup>1</sup>	Rationale
5.	P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	Yes	Please give rationale: We believe that the sunset clause should be driven by the timescales of addressing compensation within Transmission Access.
6.	Are there any further comments on Modification Proposal P87 that you wish to make?		Please give your comments: Whilst both P87 and P80 deal with rare events, the consequences of a P87 incident with the potential for extreme values of SSP are likely to cause very large arbitrary flows between industry parties.

P87\_ASS\_011 – Innogy

<b>Respondent name</b>	Innogy
<b>BSC Party</b>	<b>YES</b>
<b>Responding on Behalf of</b>	Please list all Parties responding on behalf of (including the respondent company if relevant). Innogy plc, npower Limited, Innogy Cogen Trading Limited, Innogy Cogen Limited, npower Direct Limited, npower Northern Limited, npower Yorkshire Limited

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	Yes/No	We agree that inter-trip is one of a number of means of alleviating system constraints and therefore should be encompassed in any default compensation arrangements. However, since provision of inter-trip is essentially a service provided by the generator for the benefit of the system operator it should be subject to a commercial ancillary services arrangement. Furthermore, we believe that NGC should be obliged to enter into such agreements with providers of inter-trip should NGC require the service.
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	Yes/No	'Yes' with respect to compensation for imbalance but 'no' with respect to compensation for the additional costs incurred by generators for the provision of an inter-trip service.

3.	Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by ✓ appropriate box	Please give rationale on how the PS better facilitates the Applicable BSC Objectives:
	<b>PS1</b> - No correction to Settlement and no Extra Cashflow <b>PS2</b> - No correction to Settlement plus Extra Cashflow <b>PS3</b> - Compensation using Bid Offer Prices in BMWP <b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow <b>PS5</b> - BOA Correction with determined prices <b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow		We support PS3 as compensation using Bid Offer Prices will facilitate economic assessment of inter-trip as one of a number of means of resolving system constraints. It will therefore better facilitate the BSC Objective of the efficient, economic and co-ordinated operation of the Transmission System by the Transmission Company. We believe that the compensation should cover the whole of the system fault duration and also honour a BM Unit's dynamics period beyond the wall. BOAs relating to system faults should therefore be treated consistently with all other BOAs with respect to honouring a BM Unit's dynamics beyond the wall as outlined in the Balancing Principles Statement.
		✓	
4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	Outside of BSC	Any extra cashflow would be made outside the BSC via a commercial ancillary services arrangement between the generator and the transmission company.

5.	P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	No	It is not appropriate to include a 'sunset clause' that removes the compensation arrangements for inter-trips on the introduction of Transmission Access arrangements. If changes to the BSC are required upon introduction of these arrangements they can be proposed through a subsequent modification at the time. Moreover, irrespective of the transmission access arrangements, a commercial ancillary services arrangement would still be required to cover the additional costs of provision of an inter-trip.
6.	Are there any further comments on Modification Proposal P87 that you wish to make?		The P87 consultation paper does not highlight the significant risk of long-term plant damage associated with the provision of inter-trip. Unless the generator is able to recover both the imbalance costs and a risk premium relating to the possible cost of plant damage, it will be unlikely to offer inter-trip as a service to the system operator.

P87\_ASS\_012 – Scottish Power

<b>Respondent name</b>	Man Kwong Liu
<b>BSC Party</b>	<b>YES</b> <sup>1</sup>
<b>Responding on Behalf of</b>	Please list all Parties responding on behalf of (including the respondent company if relevant). <i>ScottishPower UK Plc; ScottishPower Energy Trading Ltd.; ScottishPower Generation Ltd.; Scottish Power Energy Retail Ltd.; SP Transmission Ltd.</i>

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	Yes	<p>Please give rationale:</p> <p>We would agree with the Modification Group that there is a spectrum of fault incidents which, to some extent, reflects the level of control which NGC can exercise in its management of the Transmission system. In the case of a system constraint, NGC has greater ability to manage an incident, compared to an instance of a system fault, where it has no notice or control over the fault. This spectrum, however, should not be reflected in the compensation arrangements (see our comments in Qu 2).</p>

Q	Question	Response <sup>1</sup>	Rationale
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	Yes	<p>Please give rationale:</p> <p>When considering the consistency of treatment of system faults and intertrips, it is important to distinguish between the position of NGC and the position of affected Parties. For NGC, an intertrip can be distinguished from a system fault due to the degree of control that NGC is able to exercise over either type of incident. An intertrip is a manifestation of NGC constraint management and, therefore, more attributable to NGC's actions. However, NGC has neither notice of nor control over a system fault incident. This may suggest that an inconsistent treatment of each type of incident would be appropriate when considering compensation. However, for affected Parties, there is no distinction to be drawn between the source for either type of incident, whether NGC has actively been involved or not. This lack of distinction ought to be reflected in the applicable compensatory regime. We would argue that a consistent approach to compensation is appropriate regardless of the type of incident.</p>

3.	Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by ✓ appropriate box	Please give rationale on how the PS better facilitates the Applicable BSC Objectives:
	<b>PS1</b> - No correction to Settlement and no Extra Cashflow <b>PS2</b> - No correction to Settlement plus Extra Cashflow <b>PS3</b> - Compensation using Bid Offer Prices in BMWP <b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow <b>PS5</b> - BOA Correction with determined prices <b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	<p>This option ensures that all affected BM Units have their imbalances negated by NGC action and does not leave them financially exposed to unmanageable risk. It will also ensure that NGC's requirement to manage the Transmission system efficiently and economically is brought into sharp focus.</p> <p>PS6 also ensures that the affected BMU is compensated for the duration of the system fault and not just for the BMWP.</p>
4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	Within BSC	<p>Please give rationale:</p> <p>This would ensure that there is transparency and an effective governance structure within which to determine the terms of the formula to be adopted in calculating any "Extra Cashflow" compensation to be paid.</p>

5.	P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	No	Please give rationale: The circumstances under which a compensation scheme may operate in respect of Transmission Access have not been fleshed out in any great detail to date. It would, therefore, be premature to adopt a sunset clause requiring a firm date to be set for an end to compensation under the BSC when a firm date for compensation to start under Transmission Access arrangements has not been established. It would be for BSC Parties to indicate, by way of a future BSC modification, whether they wish to dispense with compensation under the BSC.
6.	Are there any further comments on Modification Proposal P87 that you wish to make?		Please give your comments: None.

### P87\_ASS\_013 – Scottish and Southern

#### P87

1 Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)

No.

2 Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?

Yes, they should both be rejected.

3 Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)

PS1 - No correction to Settlement and no Extra Cashflow

This is the most appropriate potential solution as it ensures that there is no cost for faults and intertrips falling on other participants in the industry.

We believe that none of the other potential solutions better facilitate the BSC objectives.

4 If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)

Whilst we do not agree with a potential solution that requires compensation; if there is to be one it should be outside the BSC and be freely determined commercially between a Party and their Connection provider, as appropriate.

5 P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)

Whilst we do not agree with this Modification Proposal, we feel that if it is

approved and implemented that it should be reviewed as part of any introduction of Transmission Access arrangements.

6 Are there any further comments on Modification Proposal P87 that you wish to make?

Given the availability in the market of Business Interruption Insurance (BII), we feel that BSC Parties have the mechanism available to them to cover their perceived risks commercially. We do not feel it is appropriate for all BSC Parties to provide BII to those parties that commercially choose not to take up the option to purchase BII. The cost of purchasing BII is reflected in a Party's Bid/Offer prices. Those that choose to purchase BII, in theory, have slightly higher Bid/Offer Prices reflecting the cost of BII; whilst those that choose not to have BII have, in theory, lower Bid/Offer Prices. Why should those parties that purchase BII have to also pay, in effect, for BII for those parties that commercially choose not to purchase BII.

**P87\_ASS\_014 – LE Group (late response)**

<b>Respondent name</b>	Rupert Judson on behalf of Liz Anderson
<b>BSC Party</b>	<b>YES</b>
<b>Responding on Behalf of</b>	LE Group Plc (London Electricity Plc, Jade Power Generation Ltd, Sutton Bridge Power, West Burton Ltd)

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	Yes <del>No</del>	Please give rationale: There are similarities in all three situations but also important differences. Each of the three situations are influenced to differing degrees by the activities of the SO and TO and this should be borne in mind when developing solutions.
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	Yes <del>No</del>	Please give rationale: Treatment of faults and intertrips should be consistent where possible but key differences should also be taken into account.
3.	Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by <input checked="" type="checkbox"/> appropriate box	Please give rationale on how the PS better facilitates the Applicable BSC Objectives:
	<b>PS1</b> - No correction to Settlement and no Extra Cashflow	<input type="checkbox"/>	We believe that an enduring solution will be best provided by Transmission Access arrangements currently being developed under the CUSC. However, if an interim solution is to be developed then Potential Solution 4 would remove the market risk currently associated with intertrips and would therefore promote competition.
	<b>PS2</b> - No correction to Settlement plus Extra Cashflow	<input type="checkbox"/>	
	<b>PS3</b> - Compensation using Bid Offer Prices in BMWP	<input type="checkbox"/>	
	<b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow	<input checked="" type="checkbox"/>	
	<b>PS5</b> - BOA Correction with determined prices	<input type="checkbox"/>	
	<b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow	<input type="checkbox"/>	
4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	<del>Within BSC</del> Outside of BSC	Please give rationale: "Extra cashflow" should be negotiated outside of the BSC if necessary.

Q	Question	Response <sup>1</sup>	Rationale
5.	P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	<del>Yes</del> / No	Please give rationale: If the proposed solution is in intended to be interim until Transmission Access arrangements are implemented then a sunset clause may be necessary. However, it seems more likely that changes to the BSC will be required anyway to take into account aspects of any future Transmission Access arrangements and that any necessary changes to the handling of intertrips could be dealt with at that time.
6.	Are there any further comments on Modification Proposal P87 that you wish to make?		Please give your comments: See below.

#### P87\_ASS\_015 – British Energy (late response)

<b>Respondent name</b>	Rachel Ace
<b>BSC Party</b>	<b>YES</b>
<b>Responding on Behalf of</b>	British Energy Power & Energy Trading Ltd, British Energy Generation Ltd, Eggborough Power Ltd

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	Yes	Please give rationale: <b>All the events listed result in a departure from intended BMU operation for transport/transmission system reasons.</b>

Q	Question	Response <sup>1</sup>	Rationale
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	Yes/No	Please give rationale: <b>Ideally yes. But P87 deals with Production BMU's exclusively while P80 is intended to deal with Production and Consumption BMU's.</b>
3.	Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by <input checked="" type="checkbox"/> appropriate box	Please give rationale on how the PS better facilitates the Applicable BSC Objectives: <b>At first sight PS6 seems to be the best choice as it avoids difficulties with extreme bids but does require corrections to be effective beyond BMWP. However, this would lead to a different treatment to that of faults under P80.</b>
	<b>PS1</b> - No correction to Settlement and no Extra Cashflow		
	<b>PS2</b> - No correction to Settlement plus Extra Cashflow		
	<b>PS3</b> - Compensation using Bid Offer Prices in BMWP		
	<b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow		
	<b>PS5</b> - BOA Correction with determined prices		
	<b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow		
4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	Within BSC/	Please give rationale: <b>Ideally internal to the BSC for reasons of transparency and governance.</b>
5.	P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	Yes / No	Please give rationale: <b>No guarantee that Transmission Access reform will deliver compensation for settlement imbalances incurred under the BSC. More likely that transmission access will compensate only for the transmission rights paid for via equivalent of TNUoS.</b>
6.	Are there any further comments on Modification Proposal P87 that you wish to make?		Please give your comments:

**P87\_ASS\_016 – Teesside Power (late response)**

<b>Respondent name</b>	Teesside Power Limited
<b>BSC Party</b>	<b>YES</b>
<b>Responding on Behalf of</b>	Please list all Parties responding on behalf of (including the respondent company if relevant).

Q	Question	Response <sup>1</sup>	Rationale
1.	Do you agree that there is a spectrum ranging from system constraints at one end, through to generator intertrip schemes and onto system faults at the other end, which should be reflected in any default compensation arrangements for such instances? (Section 2 and 4, Table 4.1)	<b>Yes</b>	<b>Please give rationale:</b> The effect on the participant of each constraint, intertrip and system fault is similar however the causes and management of each are subtly different.
2.	Do you believe that P80 (System Faults) and P87 (Intertrips) should be treated in a consistent manner?	<b>Yes</b>	<b>Please give rationale:</b> Constraints, system faults and intertrip operation, all have potential to leave a generator out of balance. The industry should provide a mechanism whereby the participant is held whole for the duration of the constraint/fault/inter-trip and for any period thereafter where normal operation has been affected as a consequence of such constraint/fault/inter-trip.

Q	Question	Response <sup>1</sup>	Rationale
3.	Which potential solution do you best better facilitates the Applicable BSC Objectives for P87? (Section 4.3 and 5.2)	Please select one by ✓ appropriate box	<p><b>Please give rationale on how the PS better facilitates the Applicable BSC Objectives:</b></p> <p>We feel that a number of the options give potential solutions, however, prior to selecting one option, further clarification on the following would be required:</p> <p>(1) How would 'Extra Cashflow' be determined for PS4?</p> <p>(2) Assuming that the QABC transaction is cashless between NGC and the participant, how would the cost of extra offers required as a result of the intertrip be allocated across the industry? (we would argue that such offers should be excluded from the calculation of SBP (perhaps in a similar manner to those which are currently tagged as system rather than energy balancing actions) in order to avoid inflated SBP to any other shortfaling participants?)</p> <p>(3) How would the return to service profile for a generator to return from a fault in PS5 and PS6 be determined or would this be open ended until the generator returns to PN?</p>
	<p><b>PS1</b> - No correction to Settlement and no Extra Cashflow</p> <p><b>PS2</b> - No correction to Settlement plus Extra Cashflow</p> <p><b>PS3</b> - Compensation using Bid Offer Prices in BMWP</p> <p><b>PS4</b> - QABC Correction in the BMWP plus Extra Cashflow</p> <p><b>PS5</b> - BOA Correction with determined prices</p> <p><b>PS6</b> - QABC Correction potentially enhanced by Extra Cashflow</p>		
4.	If a potential solution requires compensation from the "Extra Cashflow" do you believe that this should be determined within the BSC or outside the BSC? (Section 4.3)	Within BSC/ Outside of BSC	<p><b>Please give rationale:</b></p> <p>We believe that further clarification of the what would be included in 'Extra Cashflow' is required prior to deciding whether this should be determined in or out of the BSC</p>

Q	Question	Response <sup>1</sup>	Rationale
5.	P87 proposes the inclusion of a 'sunset clause', do you believe that there should be a 'sunset clause' that removes the compensation arrangements for intertrips on the introduction of Transmission Access arrangements? If your answer is yes, please explain what the specific trigger should be activate such a clause. (Section 4.4)	Yes / No	Please give rationale:
6.	Are there any further comments on Modification Proposal P87 that you wish to make?		<p><b>Please give your comments:</b></p> <p>We believe that another round of consultation will be required when the Modification group has decided which potential solution should be developed. Answers to the questions raised in Q3 would also need to be answered</p>