P231 Report Phase Consultation Responses

Consultation Issued on 17 April 2009

Representations were received from the following parties

No	Company	File number	No BSC Parties Represented	No Non-Parties Represented
1.	National Grid	P231_dMR_01	1	0
2.	Centrica	P231_dMR_02	10	0
3.	Uskmouth Power Company	P231_dMR_03	1	0
4.	SAIC Ltd. (for and on behalf of ScottishPower)	P231_dMR_04	7	0
5.	EDF Energy	P231_dMR_05	13	0
6.	Scottish and Southern	P231_dMR_06	6	0
7.	E.ON UK(*)	P231_dMR_07	6	0

Question 1: Do you agree with the Panel's provisional recommendation to the Authority contained in the draft Modification Report that Proposed Modification P231 should be made (and the rationale for how the Applicable BSC objectives are better facilitated)?

Please give rationale.

Summary

Yes	No	Neutral/Other
7	0	0

Responses

Respondent	Response	Rationale
National Grid	Yes	P231 will clarify Transmission Company's post-event obligations and will help individual participants to have a better understanding of Black Start and FSC procedures. This will facilitate efficient and economic operation of the Transmission System (objective (b).

* Late response

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Respondent	Response	Rationale
		P231 will provide more detail on the Black Start and Fuel Security processes, including clarification of obligations on individual parties. This will bring about efficiencies in the administration and implementation of the BSC arrangements (objective (d)).
Centrica	Yes	The reasons outlined by the Modification Group in Section 4.3 of the report and supported by the Panel are comprehensive.
Uskmouth Power Company	Yes	The modification better meets objectives b and d by making the BSC arrangements in relation to black start and fuel security periods clearer. It will increase the efficiency of such events if the arrangements are clarified within the BSC.
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	ScottishPower agree with the Panel's provisional recommendation that P231 Proposed should be made. ScottishPower have always supported this Modification, and our views of the benefits this Modification will bring against the applicable BSC Objectives (as last stated in our Assessment Consultation response) have not changed.
EDF Energy	Yes	The proposed modification should be made as it would better meet the applicable objectives b, c and d when compared to the baseline. The clarity given to all participants on the processes, roles and responsibilities in relation to a fuel security event or Black Start would allow actions to be taken in a timely manner with more confidence of their effectiveness in maintaining or restoring normal supplies and/or returning to normal market operation. This should enhance the efficient, economic and co-ordinated operation of the transmission system; effective competition; and efficiency in the administration of the BSC arrangements.
Scottish and Southern Energy	Yes	The need for P231 (and the associated P232) arose from the industry discussions and involvement with (a) Exercise Phoenix and (b) the revision of the Fuel Security Code during 2006 and 2007 respectively. This in turn lead to the raising of Issues 32 and 33 in 2008 which has lead to P231 (and P232) being raised. SSE has played an active role, from the earliest days with Exercise Phoenix, in all these developments and we therefore welcome P231 as we believe it would better facilitate the achievement of the Applicable BSC Objectives by clarifying what would happen in the event of a black start and/or Fuel Security Code incident arising. By clarifying this in advance of such an event occurring (we hope it will never occur, but we must plan for it nevertheless) our industry has been able to have the luxury of time to consider all the issues involved and the how we might best address them. If P231 (and P232) were not to be implemented then the issues surround the restoration of the market (post event) would have to be addressed 'on the hoof' at the same time as market participants and key stakeholders are trying to address the incident itself (which must, at that time, be the first priority). To do a P231 change at that time of system (as well as personal) stress would, in our view, lead to a less than optimal solution

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Respondent	Response	Rationale
		being arrived at, which could also give rise to (potentially huge) unintentional consequences at the time. Furthermore, in bringing forward P231 (and P232) at this time we have been able to utilise the information and understanding built up, across the industry, over the past three years in the most appropriate way to come to a sensible, pragmatic and workable solution which better meets the applicable objectives.
E.ON UK	Yes	Clarifying procedures and obligations through P231 Proposed evidently supports BSC objectives b, c and d. In the event of a Black Start or Fuel Security Code period a clear process should help achieve efficient, economic and co-ordinated operation of the GB Transmission System. Then returning the market to normal operation as quickly/efficiently as possible will benefit competition thus supporting c. Similarly clarifying Parties' contractual positions will help facilitate objective d, promoting efficiency in implementation and administration of the balancing and settlement arrangements.

Question 2: Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P231?

Please give rationale.

Summary

Yes	No	Neutral/Other
7	0	0

Responses

Respondent	Response	Rationale
National Grid	Yes	-
Centrica	Yes	-
Uskmouth Power Company	Yes	The sooner clarity is given the better.
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	This process (along with the processes implemented as part of P232) should be implemented as soon as possible.
EDF Energy	Yes	This notice period should provide sufficient time to allow necessary

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Respondent	Response	Rationale
		changes to be made both internally and to the BSCP.
Scottish and Southern Energy	Yes	It seems a pragmatic approach given the additional tasks involved post approval but prior to implementation.
E.ON UK	Yes	Clarity should be provided as soon as possible; cost-saving implementation in the next BSC systems release after the 4 months required for development of the new BSCP seems pragmatic.

Question 3: Do you agree with the Panel's view that the legal text provided in the draft Modification Report delivers the solution agreed by the Modification Group?

Please give rationale.

Summary

Yes	No	Neutral/Other
6	0	1

Responses

Respondent	Response	Rationale
National Grid	Yes	-
Centrica	Yes	-
Uskmouth Power Company	Yes	-
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	-
EDF Energy	-	(Respondent was unable to comprehensively review the P231 Legal text)
Scottish and Southern Energy	Yes	It appears to delivers the solution agreed by the Modification Group.
E.ON UK	Yes	It appears appropriate.

Question 4: Are there any further comments on P231 that you wish to make?

Responses

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Respondent	Response	Rationale
National Grid	No	-
Centrica	No	-
Uskmouth Power Company	No	
SAIC Ltd. (for and on behalf of ScottishPower)	No	-
EDF Energy	Yes	Some uncertainty still exists in the interaction with the Grid Code in relation to the submission of Physical Notifications (and possibly other BSC related information) during a Black Start period and in the lead up to resumption of normal market operation. This does not negate our support for the proposal, but we would welcome further clarity from National Grid on what would be expected. Some uncertainty exists over what constitutes 'normal market operation' and the criteria which would be used by the Panel to determine when a return to 'normal market operation' is possible once customer supplies have been restored. We expect the Panel to base their recommendation on the ability of generation to operate in merit order as if the event had not occurred. It is disappointing that the modification could not also have considered wider but related issues concerned with disruption of normal market operation. In particular: Significant market disruption not within a Black Start period as defined. It seems quite likely that demand control, system instability and generator disconnections could occur without (if demand control achieves its purpose), or preceding, an actual Black Start event. The consequences of this on market participants could be very similar to that of a Black Start itself. Relatively minor market disruption associated with a partial/local system de-energisation and black start event. In this case, suspension of the entire GB market as would occur under the current and proposed process could act against BSC objectives.
Scottish and Southern Energy	No	Nothing further at this time.
E.ON UK	Yes	We feel it could perhaps still be made clearer whether in the event of Parties having trouble communicating their PNs, Bids and Offers or even MELs for/from point K, how the National Grid default levels would apply: what would be the default rules for any Party's BMUs. I.e. would a Party

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Respondent	Response	Rationale
		be expected to generate to whatever default level had previously been notified for that period (which might no longer be physically possible), or would all default levels going forward be reset to zero as the result of a Black Start/FSC event? Hopefully in such an event communication would be possible by some means but it would seem sensible to confirm the applicable default rules just in case.

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