

P240 Consultation Responses

Consultation issued on 17 December 2009

We received responses from the following Parties

Company	No BSC Parties / Non-Parties Represented	Role of Parties/non-Parties represented
SAIC Ltd. (for and on behalf of ScottishPower)	7/0	Supplier / Generator / Trader / Consolidator / Exemptible Generator / Distributor
Centrica	10/0	Supplier/Generator/Trader
RWE Supply & Trading GmbH	10/0	Supplier/Generator/ Trader / Consolidator / Exemptable Generator / Party Agent
Greater Gabbard Offshore Winds Limited	1/0	Generator
E.ON UK	6/0	Supplier / Generator / Trader / Consolidator / Exemptable Generator

What stage is this document in the process?

01 Initial Written Assessment

02 Definition Procedure

03 Assessment Procedure

04 Report Phase

Question 1: Do you agree with the Panel's initial recommendation that P240 will better facilitate the achievement of Applicable BSC Objectives (b) and (c) when compared with the existing BSC requirements and that P240 should therefore be approved?

Summary

Yes	No	Neutral/Other
5	0	0

Responses

Respondent	Response	Rationale
SAIC	Yes	<p>We agree that the Proposed Modification would better benefit the BSC Objectives:</p> <p>Objective b) – we agree with the group's view that making these PPMs available to the SO will most likely help ease the balancing and operational challenges that are faced by National Grid, reducing costs.</p> <p>Objective c) - we also agree with the group's view that the inability to export the output from these PPMs during the six week registration period will have a detrimental impact on competition. Parties will have heavily invested in these generation units and if they are stopped from recouping their investment through contracting their volume, these costs will most likely have to be passed on through higher costs elsewhere. The Generator will be at a competitive disadvantage because of a purely BSC-related legal barrier.</p>
Centrica	Yes	Centrica supports P240 for the reasons provided by the Panel and modification group.
RWE Supply & Trading GmbH	Yes	We support the conclusion that P240 will better meet both Objective b (it is more efficient) and Objective c (it will encourage competition). We endorse the views of the modification group and the Panel in supporting the modification proposal.
Greater Gabbard Offshore Winds Limited	Yes	<p>Allowing the energy to be switched in a short time frame as opposed to the existing 30 business day rule, will allow NG to control the flow of power with great efficiency, and also help the balancing of the system, with energy that might otherwise not have made it onto the system.</p> <p>There is also benefit to the power park owner as minimal revenue losses will be incurred as switching will be permitted, as part of fault restoration for instance. Without such permission, a 30 day window would exist, were output would be reduced, prior to a new arrangement being permitted</p>

Respondent	Response	Rationale
E.ON UK	Yes	E.ON agrees with the clear benefits under both Objectives (b) and (c) highlighted by the Group. P240 should be approved to fully utilise the availability of offshore wind generation by enabling such assets to maximise their exports to the Transmission System. This would both assist System operation and promote competition.

Question 2: The Group believes that switching should be restricted to Power Park Modules only in order to remain consistent with the Grid Code. Do you agree?

Summary

Yes	No	Neutral/Other
5	0	0

Responses

Respondent	Response	Rationale
SAIC	Yes	The Grid Code provisions only apply to PPMs, and therefore the BSC provisions (as the subsidiary Code) should only apply to PPMs.
Centrica	Yes	It is essential that there is consistency between the Grid Code and the BSC.
RWE Supply & Trading GmbH	Yes	The particular issue identified under P240 is associated with the transmission connection configuration of power park modules. Therefore we believe that it is appropriate that the modification proposal is restricted to power park modules.
Greater Gabbard Offshore Winds Limited	Yes	-
E.ON UK	Yes	Consistency with the Grid Code should be maintained and the defect identified is limited to the configuration of Power Park Units, so enabling movement of PPU/PPM between PPM/BMU as P240 suggests should be sufficient.

Question 3: The Group believes that P240 should only apply to BM Units of the same Lead Party. Do you agree with this conclusion?

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Yes	No	Neutral/Other
5	0	0

Responses

Respondent	Response	Rationale
SAIC	Yes	The switching of plant between BMUs belonging to different Parties would lead to a much messier (mis)allocation of volume than restricting it to BMUs belonging to the same Lead Party. With restriction to the same Party, affected volume should remain within the same Account, minimising the financial impact on these Parties.
Centrica	Yes	This modification solution should not seek to be a means for transferring power between Lead Parties.
RWE Supply & Trading GmbH	Yes	It is appropriate that the Lead Party should be responsible for the configuration of the BMUs under the BSC arrangements.
Greater Gabbard Offshore Winds Limited	Yes	
E.ON UK	Yes	This would be administratively simplest, reducing the risk of volume misallocation. Where a project is a Joint Venture thus the JV the Lead Party, this should not cause problems anyway, and in more complex shared ownership scenarios Parties should be able to manage through their bilateral agreement(s).

Question 4: Do you agree with the additional combined benefits of P237, P238 and P240 which are identified in the Draft Modification Report?

Summary

Yes	No	Neutral/Other
5	0	0

Responses

Respondent	Response	Rationale
SAIC	Yes	The example configurations provided in the Assessment Consultation show that only one of the three configurations would require a change to the aggregation rules. By allowing a reduction in the number of BMUs associated with an offshore

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Respondent	Response	Rationale
		platform, these Modifications would reduce the number of occurrences of metering configuration where there would need to be a change of aggregation rules to facilitate switching of plant. As this is a manual change there would be extra effort expended in changing these rules, and ensuring they are applied correctly.
Centrica	Yes	With P237 and P238 being approved, this means that approval of P240 would result in the additional benefit identified.
RWE Supply & Trading GmbH	Yes	We believe that the particular circumstances of power park modules and offshore transmission connections should be addressed through the introduction of arrangements that together encourage efficiency and better facilitate competition in the GB electricity market.
Greater Gabbard Offshore Winds Limited	Yes	P237 and P238 need to be considered alongside P240 for completeness and to achieve maximum potential
E.ON UK	Yes	E.ON agrees with the wider benefits identified. P237 has helped to pave the way for P240 and this proposal like the implemented P237 and P238 would help optimise utilisation of PPMs.

Question 5: Do you agree with the Panel's suggested Implementation Date (for both the BSC and BSCP changes) of 5 Working Days after an Authority decision?

Summary

Yes	No	Neutral/Other
5	0	0

Responses

Respondent	Response	Rationale
SAIC	Yes	As the anticipated solution is manual and procedural in nature a short implementation window is appropriate.
Centrica	Yes	This would be consistent with implementation prior to Go Live.
RWE Supply & Trading GmbH	Yes	The proposed implementation date appears reasonable.

Respondent	Response	Rationale
Greater Gabbard Offshore Winds Limited	Yes	-
E.ON UK	Yes	P240 should be implemented as soon as possible

Question 6: Do you agree that the Panel's recommended legal text and BSCP changes deliver the solution agreed by the Modification Group?

Summary

Yes	No	Neutral/Other
5	0	0

Responses

Respondent	Response	Rationale
SAIC	Yes	The Proposed Legal Text appears to deliver the proposed solution.
Centrica	Yes	-
RWE Supply & Trading GmbH	Yes	The proposed legal text delivers the proposed solution.
Greater Gabbard Offshore Winds Limited	Yes	-
E.ON UK	Yes	They appear appropriate.

Do you have any further comments on P240?

Responses

Respondent	Response	Rationale
SAIC Ltd	No	-
Centrica	No	-
RWE Supply & Trading GmbH	No	-

Respondent	Response	Rationale
Greater Gabbard Offshore Winds Limited	No	-
E.ON UK	No	