

P247 Consultation Responses

Consultation issued on 5 February 2010

What stage is this document in the process?

01 Initial Written Assessment

02 Definition Procedure

03 Assessment Procedure

04 Report Phase

We received responses from the following Parties

Company	No BSC Parties / Non-Parties Represented	Role of Parties/non-Parties represented
E.ON UK	6/0	Supplier / Generator / Trader / Consolidator / Exemptible Generator
SAIC Ltd. (for and on behalf of ScottishPower)	7/0	Supplier / Generator / Trader / Consolidator / Exemptible Generator / Distributor
RWE npower	10/0	Supplier/Generator/ Trader / Consolidator / Exemptible Generator / Party Agent
Scottish and Southern Energy	9/0	Supplier / Generator
EDF Energy	13/0	Supplier/Generator/Trader/Consolidator/Exemptible Generator/Party Agent
Drax Power Limited	1/0	Generator
Centrica	10/0	Supplier/Generator/Trader/

Question 1: Would P247 Proposed Modification help to achieve the Applicable BSC Objectives compared to the current arrangements?

Summary

Yes	No	Neutral/Other
3	4	

Responses

Respondent	Response	Rationale
E.ON UK	Yes	P247 would further Applicable Objective (C) by making the BSC Modification procedures clearer and more

Respondent	Response	Rationale
		<p>user-friendly. Current BSC arrangements can disenfranchise parties who raise modifications. This may impact particularly smaller participants whose views may not necessarily align with the majority of Modification Group members. Under P247, Parties could be assured that a solution put forward would be allowed to benefit from minor improvements with the assistance of the Group if wished, or if the proposer preferred, presented for a decision in its original form. This should encourage participation by all Parties, including those who do not often engage in the process and/or may hold a minority view.</p> <p>P247 would also help to achieve Applicable Objective (D), promoting efficiency in the BSC arrangements, by allowing withdrawal of proposals or minor improvements to the solution to achieve a more effective outcome and minimise the workload of ELEXON, respondents, and the Panel. This is particularly so while the BSC is constrained to one Alternative solution. For example as the Group acknowledged, with P245 when all members including the proposer would have preferred the Group's suggested minor changes to be incorporated in the Proposed solution, but due to the proposal's exact wording this had to be an Alternative. This issue arises with many proposals, e.g. similarly with P226 and P250, potentially necessitating further work e.g. on reporting and legal text that would be minimised if P247 is implemented. Currently when an Alternative incorporates a more major development as well as the minor changes developed in the Group, it is also possible that if the Alternative is rejected but Proposed approved, lacking these minor improvements it would be a less efficient solution than it could be under P247. The likelihood of any proposer frustrating the process seems low as under a 'proposer owns' model any such behaviour would be transparent, and the Report would still be developed by the Group as a whole. However incorporation of Panel rights to address this and potentially withdraw the modification under P247 would also provide a safeguard to address this possibility.</p> <p>Proposer ownership and withdrawal rights have been acknowledged by the Code Administrator Working Group and consequent Code Administrator Code of Practice to be an example of best practice: the CAWG interim report states 'The proposer should at all times be the owner of any modification they originate. . . . should not have to relinquish effective ownership of their proposal..... should have the ability to withdraw their proposal'. Bringing these aspects of the BSC in line with the CUSC and UNC thus streamlining arrangements across codes is also as per CAWG recommendations, adding to the arguments for</p>

Respondent	Response	Rationale
		implementing P247.
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	Applicable BSC Objective (c) and Applicable BSC Objective (d) The arguments are well summarised in P247 Assessment Consultation (Version 1.0), Page 11.
RWE npower	Yes	<p>A defect with the present arrangements is the inability of Parties to withdraw a Proposed Modification during the assessment phase. On occasions the requirement to complete the Modification even when most or all Parties acknowledge that there was little point in doing so has lead to inefficiencies and wasted time and money. The Proposed Modification would remove this defect and better facilitate Applicable BSC Objective (d).</p> <p>The present proposal is a good development of the Code based on Parties' experience of its operation. It balances the interests of the proposer by introducing more flexibility with the need to maintain a robust and auditable process. Furthermore, it would enable all Parties to take a more active role in the Modification Process. The Proposed Modification would therefore better facilitate Applicable BSC Objective (c).</p>
Scottish and Southern Energy	No	<p>There are three aspects to this proposed change, and we address each in turn.</p> <p><u>Proposer Ownership</u></p> <p>We generally support the principle of the Proposer owning their Original Modification Proposal during the process.</p> <p>However, we have serious reservations regarding the ability (that P247 appears to offer) for the Proposer to 'alter' their proposal very late in the process.</p> <p>This ability is outlined, on page 6 of the Assessment Consultation, as follows:-</p> <p>"The ability for the Proposer to vary the Proposed Modification solution would cease at the point just before the Modification Group makes its final recommendation against the Applicable BSC Objectives."</p> <p>Our concern, in particular, is that this would allow a substantial change to an Original Modification Proposal to be raised after the Assessment Consultation phase without recourse to further industry (or Transmission Company) consultation (in terms of either the impact on them or assessing the proposed 'alteration').</p>

Respondent	Response	Rationale
		<p>Whilst it is true that there would be a subsequent industry consultation this would only be at the Panel stage, and thus after the Original Modification Proposal and any Alternative had been finalised.</p> <p>Thus a Proposer, if P247 were approved, would be tempted (if not encouraged?) to 'withhold' particularly contentious element(s) of their Original Modification Proposal when they initially submit it to Elexon.</p> <p>The Original would go through the Modification process and be subject to an Assessment Consultation. It might attract little adverse comment etc. Only at the final Modification Group meeting (called to vote etc., and conclude its work) might the Proposer 'reveal' the additional element(s).</p> <p>The Group would be then need to decide:-</p> <p>a) to proceed with their vote; or</p> <p>b) seek a time extension from the Panel / Ofgem in order to consider this 'new' development and undertake a further industry Assessment Consultation (including consideration of the likely impact).</p> <p>Whilst, in theory, option (b) is a possibility it must be recognised that in many cases time is of the essence and pressure would be on Elexon / the Modification Group / the Panel to not re-open the Modification to (i) further Modification Group assessment and (ii) further industry (and Transmission Company) consultation (in terms of either the impact on them or assessing the proposed 'alteration') as this could delay, perhaps by some months, the submission of the Final Modification Report to the Authority.</p> <p>In addition, this detrimental aspect could be further exacerbated where an Urgent Modification is raised.</p> <p>Thus an unintended consequence, if P247 were to be implemented, is that Proposers would be actively encouraged to withhold details of their proposed change until moments before the Modification Group held their final vote. This we believe would be detrimental to BSC Applicable Objective (d) in particular.</p> <p>We would also point out that a Proposer is not duty bound to raise their Modification Proposal without</p>

Respondent	Response	Rationale
		<p>consideration; either by themselves and / or the wider industry; of the associated matters that might arise. For example, if a Proposer is unsure of the details etc., they could raise an Issue and have the detail explored in greater depth such that when they choose to raise their Modification Proposal the relevant matters could have been bottomed out.</p> <p>Finally, we note the comments, on page 6 of the Assessment Consultation, that the P247 Modification Group considers this risk "is similar to the risk under the current process that a Modification Group can develop an Alternative Modification at a late stage". We do not agree with this. It is highly unlikely that a Modification Group would deliberately delay raising an Alternative Modification until their final vote meeting. The Elexon process is designed to ensure that Alternative Modifications (and candidates for Alternatives) are (i) identified early on in the process and (ii) consulted on early in the process.</p> <p><u>Withdrawal</u></p> <p>We welcome the ability for the Proposer to withdraw their Original Modification Proposal. This is an efficient development, worthy of approval. This we believe would be beneficial to BSC Applicable Objective (d) in particular.</p> <p><u>Address the Panel</u></p> <p>Whilst we can see why, on initial examination, allowing the Proposer the unfettered ability to address the Panel might appear to have some merit we believe, on reflection, that this is a retrograde step.</p> <p>The Proposer already has an inbuilt advantage, by virtue of raising the Original Modification Proposal, to clearly set out its position (which includes an initial presentation to the Panel). This would be further enhanced, if P247 is implemented, in terms of being able to change the details of their Original Modification Proposal at the last possible moment and, in particular, after the Assessment Consultation with its associated impact assessment.</p> <p>The Proposer, like all BSC Parties, is permitted to set out, in writing, its response to the Modification Group (and Panel) consultation(s).</p> <p>Allowing the Proposer (alone) the unfettered right to</p>

Respondent	Response	Rationale
		<p>address the Panel when Elexon presents the Assessment Report (to the Panel) would give them a wholly unfair advantage which is out of all proportion to what is merited.</p> <p>The Proposer could, for example, use the time afforded by this right to present (i) a distorted view of the counter arguments & / or the Alternative and (ii) a distorted view of the attributes etc., of their Original Modification Proposal.</p> <p>Whilst Elexon would be present, they are not as knowledgeable or familiar with the details of the issues at hand to appreciate the implications of the distortions being made by the Proposer.</p> <p>Finally, it is against natural justice that <u>only</u> the views in support of an Original Modification Proposal can be heard before the Panel with no ability for counter views to be given.</p> <p>If the suggestion is that these are 'present' via the written responses to the Assessment Consultation it must be recognised that with P247 these responses from industry would be totally devoid of any comments on the (substantial?) changes that the Proposer would (with P247) be able to raise at the last moment.</p> <p>Thus no (or very limited) industry counter views to the Original Modification Proposal (as amended by the Proposer at the final Modification Group meeting) would be given to the Panel prior to its deliberations. This places the Proposer in a position of unfair advantage that discriminates against other BSC Parties.</p> <p>This we believe would be detrimental to BSC Applicable Objectives (a) and (d) in particular.</p>
EDF Energy	No	<p>We accept that there are elements of the original proposal that would introduce improvements to the existing BSC modification arrangements and would help to better achieve the applicable BSC objectives (c) & (d). These elements include the right of the proposer to maintain ownership of its proposal, the right to make refinements and ultimately to withdraw a proposal. These improvements would introduce greater efficiency into the arrangements and also encourage more engagement by Parties.</p> <p>However, the original proposal if implemented would provide a right to the proposer to address the Panel. We consider a right provided to one party only</p>

Respondent	Response	Rationale
		introduces an element of discrimination into the BSC. Providing an explicit right to the proposer only may lead to the Panel obtaining an unbalanced view of the merits of their proposal compared to any other potential alternative solution developed by the modification group. Consequently, overall we consider the proposal does not better meet BSC objective (c) or (d).
Drax Power Limited	No	<p>The Proposed Modification has the potential to introduce discrimination where the Modification Proposer chooses Elexon to act as their representative due to limited resources (e.g. in the case of small or new participants); under such circumstances the Modification Group would own the Modification and make changes as they see fit, whereas those Parties that have the available resource to fully participate in the process would be able to represent themselves and retain ownership of the Modification. Drax does not agree that classes of user that hold a minority view would necessarily benefit from the proposals.</p> <p>Further to this, Drax agrees with the minority view of the Modification Group that the Proposed Modification would introduce discrimination if the Proposer had a right to address the Panel. BSC Panel meetings should not become a tool to lobby the Panel; the Panel should continue to make recommendations based upon the evidence within the Modification Report, with impartial Modification Group representation provided by Elexon. However, Drax agrees that the Proposed Modification would better facilitate Applicable BSC Objective (d), in that there would be clear benefits in allowing the Proposer to correct minor errors and oversights in the original wording, plus the ability for the Proposer to withdraw a Modification (along with the accompanying adoption process).</p> <p>Overall, due to the potential for increased discrimination, plus a number of other concerns highlighted in answer to Question 9, Drax believes that the Proposed Modification would not better facilitate the Applicable BSC Objectives (particularly objectives (a) and (c)) when compared against the baseline.</p>
Centrica	No	Centrica believes it is unduly discriminatory for the Proposerto be able to have any formal right to address the Panel where other Parties are excluded from the same privileges. This is likely to bias discussions that are positive toward the proposal. This would therefore be detrimental to competition (objective (c)).

Question 2: Potential Alternative Solutions.

(Part 1): Do you prefer Alternative A or Alternative B?

(Part 2): Do you prefer the potential alternative solutions over the Proposed Modification?

(Part 3): Do you believe it is appropriate for different Modification Group members to attend the Panel to give contrasting answers, given that ELEXON already presents all views to the Panel on behalf of the whole Group and respondents?

Summary

Alternatives vs. baseline

Preferred both Alternatives over current baseline - **1**

Preferred only Alternative A over the current baseline - **0**

Preferred only Alternative B over the current baseline - **4**

Preferred neither Alternative A or Alternative B over the current baseline - **0**

No comment regarding whether Alternatives are better than baseline - **2**

Alternatives vs. Proposed

Preferred Proposed over both Alternatives - **1**

Preferred Both Alternatives over the Proposed (but B preferred over A) - **2**

Preferred only Alternative A over the Proposed - **0**

Preferred only Alternative B over the Proposed - **4**

Responses

Respondent	Response	Rationale
E.ON UK	B	<p>Potential alternative B is preferable to potential alternative A. Views both in favour and against a proposal will have been expressed in consultation responses. Furthermore as identified, ELEXON already present the Panel with all views expressed by the Group, both for and against. Where there is disagreement within a Modification Group, to have a Group member from either side of the debate speaking at Panel meetings would just duplicate these communications, extending the time taken for no real benefit. Although it would be preferable for the proposer only to speak, better for Elexon to represent all views rather than time-wasting representations from both sides of an argument.</p> <p>The Proposed is preferable to both potential alternatives and the only option which accords with the Code Administrator Code of Practice. This states that at the Assessment Report to Panel 'The proposer will be entitled to attend the panel meeting and put forward views on the appropriate way forward' (p14</p>

Respondent	Response	Rationale
		<p>v0.8), and not that anyone else should have this option. Although interested parties can attend the public part of Panel meetings, they do not have the right to speak and requests to do so have not always been granted in the past. It might be hoped that this would be more likely under a P247 situation particularly where a proposer had/had not made minor changes in contravention to the views of the group, but there is no guarantee of this. Allowing the proposer only the right to speak at a Panel would not be discriminatory as by nature proposing a modification is more challenging than the position of those in favour of maintaining the status quo, whose preferred option is already implemented thus inherently does not need arguing. Consequently the proposer having the right to speak briefly at a decision-making Panel to confirm their thinking, answer any questions directly and explain why they have or have not included any suggested adjustments would be useful to ensure that the logic behind the final Proposed solution is fully explained. While ELEXON staff might attempt to do this it would be clearest coming from the proposer. This should not be onerous, e.g. there is no need for a presentation to be given, merely for the Panel to ask the proposer if they wish to make any comments.</p>
SAIC Ltd. (for and on behalf of ScottishPower)	B	<p>The preference is for Alternative B. There is no obvious need for a special representation as all of the arguments will have been collated by Elexon and presented to the Panel. If the Proposer wished to speak to the Panel then the current process of requesting attendance at the meeting should suffice.</p> <p>Potential Alternative B is preferred to the proposed Modification as a 'right to present at the Panel' would give an unfair advantage to the Proposer if they disagreed with the Modification Group's suggestion. This would create an unbalanced process and potentially compromise the work done by Elexon to maintain a balanced, factual account of decisions and arguments generated on the way to a group decision.</p> <p>If different Modification Group members attend the Panel to give contrasting views, it is likely that the emphasis on particular points would be stressed. Whilst these would be contained within the final report from Elexon, the overall balance of the argument could be skewed. Consequently the summarised conclusion from Elexon may be different from the arguments / suggestions discussed at the Panel meeting. This would create a potential for confusion at the meeting, whereby the Panel meeting became a debating chamber for all of the analysis and conclusions. Elexon is charged with providing a comprehensive view</p>

Respondent	Response	Rationale
		<p>of the Modification Group’s deliberations and present a balanced perspective. Elexon does not promote any particular viewpoint, only that of the Modification Group. If the Proposer disagreed with any output from the Modification Group then the Proposer’s opinion would be detailed in the report.</p>
RWE npower	B	<p>The Proposer has the right to address the Panel already. They also have an enhanced role in the development of a Modification Proposal which means that their views can be represented appropriately in the Report to the Panel. In practice members of a Modification Group may contribute to the report prepared by Elexon staff. This should be a safeguard to ensure that it reflects properly the views of all Parties, including the proposer’s.</p> <p>A drawback with giving the proposer and a member of the Modification Group, the right to address the Panel is that this may reopen any differences of views that could have arisen in the Modification Group. The role of the Panel is to make a decision based on the information provided by the Modification Group. Whilst the Proposer may have developed the original with the Group, under this proposal that would be presented to the Panel as one version of the Modification along with any alternative developed by the Group. At that stage the Proposer would cease to “own” the Proposal, having transferred ownership to the Group. In such cases it would be inappropriate for the Proposer to address the Panel.</p> <p>We believe that Alternative B better facilitates BSC Objectives (c) and (d) when compared to the current baseline. We prefer Alternative B over the Proposed Modification as the “address the Panel” element is already facilitated under the current baseline.</p>
Scottish and Southern Energy	both	<p>We refer you to our comments, under Q1 above, regarding ‘Addressing the Panel’. Given these comments we believe both Alternatives A and B are preferable to the P247 Original.</p> <p><u>Alternative A</u></p> <p>For the reasons outlined in Q1 above we do not accept the right for the Proposer alone to address the Panel. Alternative A allows counter views to be represented at Panel meetings, which we believe is the minimum that should be implemented (if P247 were to be approved).</p> <p><u>Alternative B</u></p>

Respondent	Response	Rationale
		<p>For the reasons outlined in Q1 above we do not accept the right for the Proposer alone to address the Panel. Alternative B removes this element of P247 Original and we support this Alternative (in preference to Alternative A).</p> <p>We prefer both potential Alternative solutions over P247 Original.</p> <p>If, despite our comments above, there is to be the ability for a Proposer to address the Panel then there must be an ability for counter views to be presented as well. Given this we believe it is appropriate, in these circumstances, for a different person (appointed by the Modification Group) to attend the Panel meeting to give contrasting answers to those given by the Proposer.</p> <p>We do not accept the suggestion that as Elexon is already present they can provide the counter views to the Panel on behalf of the whole Group and respondents.</p> <p>First, this would only be 'correct' if there was no ability for the Proposer (alone) to present their views to the Panel. Indeed, if Elexon are 'good enough'* to present the arguments for the counter view then they must, by definition, be 'good enough' to present the Proposer's view also.</p> <p>It therefore follows that if Elexon are not 'good enough' to present the Proposer's view (hence why, with P247, the Proposer should be allowed to present them to the Panel) then they are not 'good enough' to present the counter view.</p> <p>Second, as we noted under Q1 above, Elexon would be relying, in its presentation to the Panel, on industry responses (to the Assessment consultation) which would be totally devoid of any comments on the (substantial?) changes that the Proposer would (with P247) be able to raise at the last moment.</p> <p>*for the avoidance of doubt we believe Elexon is 'good enough' to present both sides of the case – they are not 'good enough' to present just one side of the case when up against the Proposer as Elexon lack the knowledge and subject familiarity (when compared with the Proposer).</p>
EDF Energy	both	We consider that both alternatives presented address the discrimination issue discussed above. However, on balance we consider the existing arrangements

Respondent	Response	Rationale
		<p>whereby any party can attend a Panel meeting and request to the Chairman an opportunity to address the Panel are sufficient. If required, it should be for Panel members to proactively seek any additional information from the proposer or modification group member that has not already been put forward by Elexon when presenting the modification report in order to assist them into making their decision on the proposal. We do not consider an explicit right for the proposer, or any other modification group member, to address the Panel is required given the existing rights provided. We therefore prefer Alternative B. However, we do consider Alternative A better meets the BSC objectives as compared to the original proposal.</p>
Drax Power Limited	B	<p>Drax believes that Alternative B would be more appropriate than Alternative A; further to this, Alternative B would be more preferable than the Proposed Modification.</p> <p>Drax does not believe that the proposer, nor any other Modification Group member, should address the Panel beyond their involvement under the current baseline. It would be inappropriate for BSC Panel Meetings to become a tool to lobby the Panel; the Panel should continue to make recommendations based upon the evidence within the Modification Report. Drax believes that it would be more appropriate for Elexon to continue to present the views of the Modification Group to the Panel, given their role as an independent facilitator of the BSC Modification process.</p> <p>Furthermore, Drax agrees that the Proposer already has the ability to make a request to address the Panel. As with the Proposed Modification, Drax believes that each of the suggested alternative solutions has the potential to introduce discrimination should the Modification proposer choose Elexon to act as their representative due to limited resources (e.g. in the case of small or new participants); under such circumstances the Modification Group would own the Modification and make changes as they see fit, whereas those Parties that have the available resource to fully participate in the process would be able to represent themselves and retain ownership of the Modification. On balance, Drax believes that Alternative B has the potential to better facilitate the Applicable BSC Objectives than the baseline; however, there are still some issues that require addressing (see above and our answer to Question 9).</p>
Centrica	B	<p>Centrica supports Alternative B. Alternative B would better facilitate the relevant BSC objectives when compared to the current arrangements (for the reasons given by the Modification Group in relation to the Proposed Modification). Centrica believes that the existing right to attend and request to speak is</p>

Respondent	Response	Rationale
		sufficient. This would provide equal ability for all Parties to attend the Panel meeting and speak where appropriate. This would not be achieved under Alternative A where the proposer and a single person from the Modification Group would have the right to address the Panel.

Question 3: Implementation Approach

Do you support the Group's view that P247 Proposed Modification should only apply to Modification Proposals raised on or after the P247 Implementation Date?

Do you agree with the proposed implementation timescales?

Summary

Yes	No	Neutral/Other
5	-	2

Responses

Respondent	Response	Rationale
E.ON UK	Yes/No	Although retrospective implementations are generally undesirable, as P247 would have no significant impact on Parties it could be considered for this modification. In practice there might be some although limited value in retrospective application of P247 to current modification proposals. P229 and P246 are already with the Authority; P249 raised by ELEXON for the BSC Panel and no further Group meetings planned. P250 and P251 which are earlier in the process might benefit if P247 was approved and promptly implemented, but this would have to be very prompt.
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	Once live, implementing P247 only on new Modifications is a sensible approach. Implementing the effects of P247 during a Modification would cause confusion, may require additional work and ultimately take longer. The proposed implementation timescales are appropriate.
RWE npower	Yes	The method of implementation is acceptable. It would be inappropriate to apply a revised system of ownership of Modification Proposals to Modifications that are already underway
Scottish and		We support the Group's view that the P247 Proposed

Respondent	Response	Rationale
Southern Energy		<p>Modification should only apply to Modification Proposals raised on or after the P247 Implementation Date. To do otherwise would mean that P247 would be a retrospective Modification. We do not believe in retrospective Modifications as it gives rise to a substantial increase in regulatory uncertainty.</p> <p>We note that the CUSC allows for a ten day period between an Authority decision and implementation. We are mindful, especially in this half term week, that if approved around the holiday period that a code change might be approved and implemented whilst many parties are absent from work. For that reason we believe if Elexon are to go down the CUSC route of determining implementation X days after an Authority decision that X is set at ten, rather than, as is proposed with P247, five days.</p>
EDF Energy	Yes	We fully support the proposed implementation timescales. Further, we also agree that if implemented this new modification process should only apply to modification proposals raised on or after the implementation date of P247.
Drax Power Limited	Yes	<p>If approved, the implementation timescales appear reasonable for both the original and alternative proposals.</p> <p>Drax agrees with the Modification Group with regards to P247 only applying to Modification Proposals raised on or after the P247 Implementation Date. This will prevent uncertainty over the Modification process for existing Modification Proposals, whilst the outcome of P247 is determined.</p>
Centrica	Yes	Yes both

Question 4: What are the impacts and costs of the Proposed Modification on your organisation?

Summary

Impacted	Not Impacted	Neutral/Other

Responses

Respondent	Response	Rationale
E.ON UK		There would be no particular impact on us as for any other Party, just the potential benefit to the whole

Respondent	Response	Rationale
		industry of seeing more efficient proposal solutions developed if P247 is implemented. In practice a proposer should have no trouble finding a representative from the industry if not their own company. Additionally, while proposers' representatives nearly always attend Modification Group meetings, dates may be changed to suit and if not possible they also often send their Alternate, or either person will dial in if attending in person is inconvenient. The additional responsibility that comes with additional rights for a proposer would thus present no additional burden, rather an incentive encouraging active participation. No additional costs are anticipated.
SAIC Ltd. (for and on behalf of ScottishPower)		There are no obvious costs in implementing this Modification.
RWE npower		The Proposal means that any Party proposing a modification may have to devote more time to the Modifications Process than at present. However, this would be a marginal increase and would be outweighed by the benefits to the industry.
Scottish and Southern Energy		<p>Directly we expect to be only slightly impacted if P247 itself were to be approved and implemented. The cost therefore would be low.</p> <p>However, if P247 were to be implemented and applied in the way we outline in Q1 above we believe we could be adversely impacted (with a corresponding increase in our costs). This impact would arise if a Proposer were to raise, at the last moment, matters which we were not aware of when we completed our Assessment Consultation & Impact assessment. This would necessitate this work having to be repeated, which is neither efficient or economic.</p>
EDF Energy		No process or systems impacts are expected.
Drax Power Limited		There would be a minimal impact in terms of costs to Drax. However, please see our answer to Question 9 with regards to a potential increase in costs due to an increase in Modification proposals raised.
Centrica		No system costs.

Question 5: What are the impacts and costs of the two potential alternative solutions on your organisation?

Responses

Respondent	Response	Rationale
E.ON UK		As per answer to question 4, there would be no greater

Respondent	Response	Rationale
		or smaller impact on us than on any other Party. No additional costs are anticipated from potential Alternative B. However if Alternative A was implemented there would be an additional time and cost burden if asked by the Modification Group chair to attend the Panel to represent any opposing views.
SAIC Ltd. (for and on behalf of ScottishPower)		There are no obvious costs in implementing this Modification.
RWE npower		See answer to Question 4.
Scottish and Southern Energy		As with our response to Q4 above, directly we expect to be only slightly impacted if P247 itself were to be approved and implemented. The cost therefore would be low.
EDF Energy		No process or systems impacts are expected.
Drax Power Limited		There would be a minimal impact in terms of costs to Drax. However, please see our answer to Question 9 with regards to a potential increase in costs due to an increase in Modification proposals raised.
Centrica		No system costs.

Question 6: Are there any other alternative solutions that the Modification Group has not identified, that it should consider?

Summary

Yes	No	Neutral/Other
2	5	-

Responses

Respondent	Response	Rationale
E.ON UK	No	N/A
SAIC Ltd. (for and on behalf of ScottishPower)	No	-
RWE npower	No	-
Scottish and Southern Energy	Yes	<p>The Modification Group should consider an alternative which includes limiting the ability for the Proposer to amend their Original Proposal after the Assessment Consultation phase without the agreement of the majority of the Group's support.</p> <p>To be clear, the majority of the Group could not amend the Original without the Proposer's explicit agreement.</p> <p>This safeguard should mitigate the serious concern we</p>

Respondent	Response	Rationale
		<p>expressed, in Q1 above, for a substantial change to be made to the Original Modification Proposal moments before the Modification Group makes its final vote (when, for example, no impact assessment etc., for that substantial change has been sought from industry parties or the Transmission Company).</p> <p>A further variation would be to allow a Proposer to request (at the outset) that their Modification Proposal goes through the Definition Procedure (during which the Proposer would have the ability to vary their Original).</p>
EDF Energy	No	We consider both alternatives address the defect in the original proposal i.e. the potentially discriminatory affect of explicitly allowing only the proposer a right to address the Panel.
Drax Power Limited	Yes	<p>There could be an alternative solution where the proposer of a Modification only retains ownership during the Definition Procedure, if such procedure is required due to the Proposer not being able to provide enough detail in the original wording. This would allow participants with less resource to retain ownership whilst the Modification Group determines the detail surrounding the perceived defect and the basic elements of the proposed solution, much in the same way as the original solution.</p> <p>However, this solution would avoid a situation where such participants would feel obliged to commit resource to the entire Modification process, which may deter such Parties from raising a Modification in the first place. This solution aims to find the middle ground where all Parties, regardless of size, could commit less resource and still retain ownership whilst determining the framework of a proposal.</p>
Centrica	No	-

Question 7: Do you agree the legal text delivers the intention of P247 Proposed Modification?

Summary

Yes	No	Neutral/Other
4	0	3

Responses

Respondent	Response	Rationale
E.ON UK	Yes	It seems appropriate.
SAIC Ltd. (for	Yes	The legal text appears to be fine

Respondent	Response	Rationale
and on behalf of ScottishPower)		
RWE npower	Yes	
Scottish and Southern Energy		Should the reference in 2.1.1.2B(b) be to "noon" rather than "12:00" to avoid confusion with midnight? The revision in 2.2.3(b)(iii) implies the Proposer has the right to withdraw or vary his Modification Proposal up to the point in time when the Panel determines if the Proposal should proceed to the Report Phase. If so this appears to be counter to the wording in 2.1.12(a) and (b) which indicates that the ability for the Proposer to vary / withdraw would cease just prior to the final evaluation by the Modification Group.
EDF Energy	Yes	-
Drax Power Limited	-	No comment.
Centrica	-	-

Question 8: (Part 1): Do you believe the Definition Procedure should be removed?

Question 8: (Part 2): Would your response to (1) change if P247 were implemented

Remove	Don't remove	Neutral/Other
1	6	

Responses

Respondent	Response	Rationale
E.ON UK	(Part 1)Yes	Where a proposal has resulted from an Issue Group or been well thought out in consultation with ELEXON, there should be no need for a Definition Phase. Even where proposals are raised 'out of the blue' the Group would develop the proposal under current arrangements: where it is appropriate aspects of a Definition phase are in practice covered in the first Group(s) of an Assessment phase. It is desirable to avoid this extra Phase with the additional time and administration it entails. Retaining the Definition Phase would not minimise the defect P247 is addressing.

Respondent	Response	Rationale
	(Part 2)	If P247 is implemented there would seem even less benefit to retaining the Definition Procedure as the proposer would withdraw or develop a proposal with the assistance of the Group.
SAIC Ltd. (for and on behalf of ScottishPower)	No	<p>The Definition Procedure is not a compulsory activity within the Modification Process. If it is not required then this stage need not be used. There is no obvious need for its removal</p> <p>There may be situations where a Modification may benefit from Definition. If this current Modification were to be implemented then the argument is that a Proposer would have a fully formed Modification – or one which could be fully formed as the process progressed. The Modification Group may not fully understand the proposal and as such may request further clarification from the Proposer. There is still a potential need for a Definition Procedure.</p>
RWE npower	No	If implemented the Modification would, in the main, reduce the need for the definition process. Removing the phase should be the subject of another Modification that would enable Parties to consider the full implications of removing it.
Scottish and Southern Energy		<p>We do not believe that the Definition Procedure should be removed.</p> <p>Rather, taking account of our comments above in Q6, the use of the procedure should be more widely available to allow the Proposer the ability (if they choose not to go down the 'Issue' route) to amend their Original Modification Proposal prior to the wider industry assessment phase.</p>
EDF Energy	No	It is possible that in the event P247 is implemented the definition procedure may become defunct. However, maintaining the flexibility to use this discretionary stage may be appropriate at this time as it is still possible that vaguely described modifications could be proposed.
Drax Power Limited	No	<p>The Definition Procedure would still be a valid process if P247 were implemented.</p> <p>Participants should continue to enjoy the ability to raise Modifications that are not fully defined; the Definition Procedure allows the Modification Group to determine what they are being asked to consider prior to assessing the benefits / shortfalls of the Modification.</p>
Centrica	1- case not proven yet 2-No	It is not clear what would happen without a definition Procedure to a modification that entered the assessment phase which was not properly defined and the proposer refuses any modification group suggestions. How would this be assessed if the proposer does not wish to withdraw it?

Question 9: Do you have any further comments on P247?

Responses

Respondent	Comments
E.ON UK	-
SAIC Ltd. (for and on behalf of ScottishPower)	-
RWE npower	-
Scottish and Southern Energy	<p>We note the comments on page 7 of the Assessment Consultation:-</p> <p>“There is an option for the Proposer to nominate ELEXON as their Representative”</p> <p>We do not believe it is appropriate for Elexon to cease acting as an impartial Chair of a Modification Group and take on the role of advocate for a Modification Proposal raised by a BSC Party.</p> <p>As we have noted above, Elexon lacks the subject knowledge / familiarity, when compared with other Modification Group members. This hinders, if not totally prevents, Elexon credibly advocating for a change on behalf of a BSC Party.</p> <p>Elexon’s role is to facilitate the change process, not to advocate for change.</p> <p>If Elexon believes they can take on this role (of advocating for a Modification Proposal raised by a BSC Party) then it should cease to (i) chair the Modification Group meeting(s); and ii) write the Modification documentation etc., as it is no longer impartial.</p>
EDF Energy	-
Drax Power Limited	<p>Drax believes that the Modification Group must consider a number of key unintended consequences of P247:</p> <ul style="list-style-type: none"> • Whilst the proposal addresses a potential for a Modification owner to frustrate the process by making multiple complex changes to the Modification, it does not appear to address the potential for a Party to frustrate the process by <i>not recognising</i> that a Modification is effectively “unworkable”; this means an unworkable Modification could be forced through the Modification process; • Implementation of P247 would mean that the Modification Group would only be able to put forward a single proposal (the Alternative Modification), as no changes could be made to the Proposed Modification if the Modification owner did not agree with the group (even if the Proposed Modification were deemed unworkable by the majority of the group, as set out above); maybe this could be addressed by allowing more than one alternative proposal (as under the CUSC) or provisions to allow the Panel to intervene if a Proposed Modification is deemed

Respondent	Comments
	<p>unworkable;</p> <ul style="list-style-type: none"> • P247 may encourage Parties to raise new Modifications rather than suggest an alternative to a live Modification, i.e. in order to be able to “fix” the parameters of their proposal; such actions would make the BSC process less efficient, as mutually exclusive Modifications would run to separate timescales.
Centrica	-