

Change Proposal Circular

To	BSC Change Administrators (BCAs) / Party Agent Change Administrators (PACAs)
No.	CPC00620
Purpose	Response Requested
From	Change Delivery
Date	5 November 2007

Impact Assessment of P215

Proposed Modification P215 'Revised Credit Cover Methodology for Generating BM Units' seeks to amend the Balancing and Settlement Code ('the Code') to allow 'generating BM Units' to have their initial Credit Cover calculated using Final Physical Notification (FPN).

The Group has developed four options for a potential Alternative which would allow 'generating BM Units' to have their initial Credit Cover calculated using Final Physical Notification (FPN):

- a) As adjusted by Bid-Offer Acceptances (BOAs) after two hours from Gate Closure; or
- b) As adjusted by BOAs and Maximum Export Limit (MEL) after two hours from Gate Closure; or
- c) For the first two Working Days following Gate Closure, then using Metered Volumes from a Central Data Collection Agent run for CVA registered BM Units (but for 'generating BM Units' registered in SVA FPN is used only); or
- d) For the first two Working Days following Gate Closure, then using Settlement Data (Volumes and prices) from a Settlement Aggregation Agent run for CVA registered BM Units (but for 'generating BM Units' registered in SVA FPN is used only).

Impact Assessment

Parties and Party Agents are requested to review the attached Requirements Specification and respond to the questions included in the response form attached to this circular. Responses are required by **5pm on Thursday 15 November 2007**.

An initial assessment by BSCCo suggests that all Parties with generating BM Units (CVA registered BM Units, exemptable export and any other Parties who are net exporters) could be impacted by P215 and Party Agents would not be impacted.

Please let me know as soon as possible if you are unable to meet this deadline, as it may not be possible for the Modification Group to consider late responses. No response to this circular will be taken to mean that your organisation is not impacted by the proposed changes.

The purpose of the Impact Assessment is to determine the costs and impacts of the proposed solutions on Parties and Party Agents, and to determine the timescales required by Parties and Party Agents to Implement the Modification. If Parties wish to submit confidential responses regarding implementation costs please clearly indicate them as such.

CPC00620: Impact Assessment of P215**Organisation: UUNL /NORW MOP**

Question 1	Would the Proposed Modification or Alternative Modification(s), as outlined in the attached Requirement Specification for Modification Proposal P215, impact your organisation? Yes / No*
Answer 1	NO

Question 2	If impacted, please provide a description of the impact, any costs incurred, and the implementation timescales required from when P215 is Approved?
Answer 2	

Question 3	Any other comments?
Answer 3	

CPC00620: Impact Assessment of P215

Organisation: RWE Npower

Question 1	Would the Proposed Modification or Alternative Modification(s), as outlined in the attached Requirement Specification for Modification Proposal P215, impact your organisation? Yes / No*
Answer 1	YES

Question 2	If impacted, please provide a description of the impact, any costs incurred, and the implementation timescales required from when P215 is Approved?
Answer 2	Possible submission of additional FPNs would increase administrative burden.

Question 3	Any other comments?
Answer 3	NO

CPC00620: Impact Assessment of P215**Organisation: E.ON UK Energy Services Limited**

Question 1	Would the Proposed Modification or Alternative Modification(s), as outlined in the attached Requirement Specification for Modification Proposal P215, impact your organisation? Yes / No*
Answer 1	No

Question 2	If impacted, please provide a description of the impact, any costs incurred, and the implementation timescales required from when P215 is Approved?
Answer 2	N/A

Question 3	Any other comments?
Answer 3	N/A

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Organisation:	SAIC Ltd
Capacity Organisation operates in (e.g. Supplier, HDDC, etc.)	Response provided on behalf of: ScottishPower Energy Management Ltd. ScottishPower Generation Ltd. ScottishPower Energy Retail Ltd. SP Manweb plc. SP Transmission Ltd. SP Distribution Ltd.

Question 1	Would the Proposed Modification or Alternative Modification(s), as outlined in the attached Requirement Specification for Modification Proposal P215, impact your organisation? Yes / No*
Answer 1	Yes

Question 2	If impacted, please provide a description of the impact, any costs incurred, and the implementation timescales required from when P215 is Approved?		
Answer 2	The original modification would require changes to the credit calculation system that SP utilise to validate the Elexon credit cover position and to forecast the potential movement over the next seven days. Each of the subsequent alternative modification would then add another costly modification to our internal system estimated as follows:		
		Cost	Timescale
	Original Modification	£15,000	3 months
	Alt 1	£30,000	4-5 months
	Alt 2	£40,000	5-6 months
	Alt 3	£50,000	6 months
	Alt 4	£60,000	6 months

Question 3	Any other comments?
Answer 3	The Alternative Modifications, whilst adding accuracy to the credit cover calculation, will be extremely onerous both in costs and resources to develop and to maintain. They will also make it extremely onerous to validate ELEXON's credit cover calculation and to forecast forward movement in it. In ScottishPower's opinion the gain in accuracy from each of the Alternative Modifications will be small in comparison to the costs and therefore should not be pursued. The Proposed Modification will capture most of the benefit in terms of increased accuracy of the credit cover calculation at the least cost.

CPC00620: Impact Assessment of P215

Organisation: Southern Electric Power Distribution; Keadby Generation Ltd; SSE Energy Supply Ltd; SSE Generation Ltd; and Scottish Hydro-Electric Power Distribution Ltd; Medway Power Ltd;

Question 1	Would the Proposed Modification or Alternative Modification(s), as outlined in the attached Requirement Specification for Modification Proposal P215, impact your organisation? Yes / No*
Answer 1	Yes

Question 2	If impacted, please provide a description of the impact, any costs incurred, and the implementation timescales required from when P215 is Approved?
Answer 2	Minimal changes to our processes to meet the implementation. However, changes may be required to St Clement's SONET system which we use.

Question 3	Any other comments?
Answer 3	No

CPC00620: Impact Assessment of P215**Organisation: British Energy Power & Energy Trading Ltd**

Question 1	Would the Proposed Modification or Alternative Modification(s), as outlined in the attached Requirement Specification for Modification Proposal P215, impact your organisation? Yes / No*
Answer 1	Yes

Question 2	If impacted, please provide a description of the impact, any costs incurred, and the implementation timescales required from when P215 is Approved?
Answer 2	2.4 Requirement 4 - Reporting Requirements Changing the structure of the ECVAAs-I014 Notification Report would mean our own internal systems would require updating so that these systems could understand the new format. This would require the following phases: - <ul style="list-style-type: none">a) Requirements captureb) Produce specificationc) Develop softwared) Test softwaree) Deploy software On this basis, it is anticipated that these proposed changes would take ~ 6 months to introduce and cost in the region of ~ £10-15k.

Question 3	Any other comments?
Answer 3	