

What stage is this document in the process?

01 Initial Written Assessment

02 Definition Procedure

03 Assessment Procedure

04 Report Phase



#### Your response

We invite you to respond to the questions in this form.



#### How to return your response

Please send responses, entitled 'P250 Assessment Consultation' to [modifications@elexon.co.uk](mailto:modifications@elexon.co.uk) by **12 noon Friday 19 February 2010**

## Stage 03: Assessment Consultation Questions

### P250: Prevention of "Timing Out" of Authority decisions on Modification Proposals

#### Response Form

The P250 Modification Group invites you to respond to the P250 consultation. In particular, we would appreciate your responses to the following questions and your reasons for those answers.

We encourage you to provide financial information showing the costs and benefits of this Modification Proposal on your business. We will use this information to help us to assess this change. ELEXON can treat this information as confidential if requested, although we will provide all information to Ofgem.

#### Your Details

<b>Respondent:</b>	Alex Thomason
<b>Company name:</b>	National Grid Electricity Transmission plc
<b>Number of BSC Parties represented</b>	1
<b>Names of BSC Parties represented</b>	National Grid Electricity Transmission plc
<b>Number of non-Parties represented</b>	0
<b>Names of non-Parties represented</b>	N/A
<b>Role of Parties/non-Parties represented</b>	Transmission Company
<b>Does this response contain confidential information?</b>	No

P250  
Assessment Consultation  
Questions

5 February 2010

Version 1.0

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## Assessment Questions

### Question 1:

### Response:

Would P250 Proposed Modification help to achieve the Applicable BSC Objectives compared to the current baseline? Yes

**Please explain the reason(s) for your view and state which Applicable BSC Objective(s) your views are based on:** **Page Ref:** 8, 15, 16, 17

We consider that P250 would help achieve applicable BSC objective (d) by preventing a potential waste of industry resources (and associated costs) by removing the potential for Authority decisions on Modification Proposals to "time out". In addition, the Proposed Modification would allow the validity of underlying analysis which supports a Panel decision to be questioned after a period of time has elapsed and if circumstances surrounding the Modification Proposal have changed.

### Question 2:

### Response:

Would the P250 Alternative Modification help to achieve the Applicable BSC Objectives compared to the current baseline? Yes

**Please explain the reason(s) for your view and state which Applicable BSC Objective(s) your views are based on:** **Page Ref:** 9, 17, 18

We consider that the Alternative Modification would help better facilitate applicable BSC objective (d) by removing the possibility of Authority decisions on Modification Proposals timing out, thereby preventing wastage of industry time and resources and associated costs. Further, the proposed consultation process would allow the industry to identify any issues with potentially "out of date" analysis and to highlight these to the Authority.

### Question 3:

### Response:

Would the Alternative Modification P250 help to achieve the Applicable BSC Objectives when compared to the Proposed Modification? Yes

**Please explain the reason(s) for your view and state which Applicable BSC Objective(s) your views are based on:** **Page Ref:** 8, 9, 15, 16, 17, 18

As explained above, we consider that both the Proposed and Alternative Modifications better facilitate Applicable BSC Objective (d). However, we consider that the Alternative Modification better facilitates applicable BSC objective (d) than the Proposed Modification, as the mechanism proposed under the Alternative would provide greater clarity to the industry on likely implementation dates. The proposed Alternative process also has a benefit in that it recognises that the Authority is best placed to know when it is likely to "time out" on a decision, rather than requiring a Modification Group or the BSC Panel to second guess the Authority's decision making processes.

### Question 4:

### Response:

Do you support the implementation option preferred by the Modification Group?

Please let us know:

- whether you support the Group's view that P250 Proposed Modification or Alternative Modification should only apply to Modification Proposals raised on or after the P250 Implementation Date; and
- whether you agree with proposed implementation timescales of 10 Working days after an Authority decision.

Yes, we support all aspects of the implementation option.

**Question 4:****Response:****Please explain the reason(s) for your view:****Page Ref:** 14

The proposed implementation approach will provide clarity to affected industry parties on which Modification Proposals will be impacted by P250. We consider that the proposed 10 Working days implementation timescale should be sufficient time to implement this Proposal (and has the benefit that it will not be able to "time out"!).

**Question 5:****Response:**

Are you impacted by the Proposed Modification? If so, what are the impacts and costs of the Proposed Modification on you organisation?

No

Please let us know whether the Proposed Modification would impact your ability to provide accurate impact assessments to future Modification Proposals?

**Please explain the reason(s) for your view:****Page Ref:** 10 - 13

We do not foresee any impact on our organisation in terms of cost. We do not consider that the Proposed Modification would impact our ability to provide accurate impact assessments to future Modification Proposals, but we recognise that there may be cases where a wider range of implementation timescales would require a wider range of impacts to be provided.

**Question 6:****Response:**

Are you impacted by the Alternative Modification? If so, what are the impacts and costs of the Alternative Modification on you organisation?

No

Please let us know whether the Alternative Modification would impact your ability to provide accurate impact assessments to future Modification Proposals?

**Please explain the reason(s) for your view:****Page Ref:** 10 - 13

We do not foresee any impact on our organisation in terms of cost. We do not consider that the Alternative Modification would impact our ability to provide accurate impact assessments to future Modification Proposals, but we recognise that where a revised set of implementation timescales is required by the Authority, this may raise issues with any impact assessment undertaken against the original timescales, and this could be highlighted through the proposed consultation process under Alternative Modifications P250.

**Question 7:****Response:**

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

Yes

**Please explain the reason(s) for your view:****Page Ref:** 9  
Attachment A page  
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One small addition to the Alternative Modification proposed by the Modification Group could be to establish a process whereby industry parties could notify Elexon if they identified a concern with any supporting analysis for an existing Modification Proposal which had been sent to the Authority for a decision. Elexon could then raise the concern with the BSC Panel, who would then have the choice as to whether to highlight the concern raised with the Authority. This would be in addition to the proposed Alternative process, whereby industry concerns would only be raised during a consultation, triggered by the Authority requesting revised implementation dates.

**Question 7:****Response:**

This new element reflects part of the existing UNC process that was suggested under the Proposed Modification, but removes the onus on the BSC Panel to identify potential issues with analysis (which raised concerns among Panel Members at the January 2010 BSC Panel meeting) and relies more on the expertise present within the industry.

**Question 8:****Response:**

Do you have any further comments on P250?

No

**Please give your rationale:****Page Ref:** N/A

Insert rationale here

**Any questions?**

If you have any queries on this form, please contact **Andrew Wright** on **020 7380 4217** or **andrew.wright@elexon.co.uk**.



## Further Information

To help us process your response, please:

- Email your completed response form to **modifications@elexon.co.uk**
- Use the following text in the subject line of your email: "P250 Assessment Consultation"
- Include a phone number in your covering email, so that we can contact you if we have any questions
- Respond by 12 noon on Friday 19 February 2010 (the Modification Group may not be able to consider late responses)

The Modification Group will consider your consultation response at its next meeting. Once it has completed its assessment of P250, it will draft the Assessment Report, and present it to the March 2010 Panel meeting.

## Applicable BSC Objectives

The Applicable BSC Objectives, contained in the Transmission Licence, are:

- a. The efficient discharge by the licensee [i.e. the Transmission Company] of the obligations imposed upon it by this licence [i.e. the Transmission Licence];
- b. The efficient, economic and co-ordinated operation of the national transmission system;
- c. Promoting effective competition in the generation and supply of electricity, and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity;
- d. Promoting efficiency in the implementation and administration of the balancing and settlement arrangements.