

## **Responses from P133 Assessment Consultation**

Consultation issued 1 August 2003

Representations were received from the following parties:

No	Company	File Number	No. BSC Parties Represented	No. Non-Parties Represented
1.	Innogy	P133_ASS_001	9	0
2.	BSCCo	P133_ASS_002	0	1
3.	Aquila Networks	P133_ASS_003	1	0
4.	Scottish Power	P133_ASS_004	6	0
5.	Powergen	P133_ASS_005	15	0
6.	Scottish and Southern	P133_ASS_006	4	0
7.	YEDL/NEDL	P133_ASS_007	2	0
8.	British Gas Trading (late response)	P133_ASS_008	1	0

**P133\_ASS\_001 – Innogy**

<b>Respondent:</b>	<i>Terry Ballard</i>
<b>No. of BSC Parties Represented</b>	<i>9</i>
<b>BSC Parties Represented</b>	<i>Innogy, Innogy Cogen Ltd, Innogy Cogen Trading Ltd, Npower Ltd, Npower Direct Ltd, Npower Northern Ltd, Npower Northern Supply Ltd, Npower Yorkshire Ltd, Npower Yorkshire Supply Ltd</i>
<b>No. of Non BSC Parties Represented</b>	<i>None</i>
<b>Non BSC Parties represented</b>	
<b>Role of Respondent</b>	<i>(Supplier/Generator/ Trader / Consolidator / Exemptable Generator / BSC Agent / Party Agent / other – please state)</i>

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
1.	Do you believe Proposed Modification P133 better facilitates the achievement of the Applicable BSC Objectives ?  Please give rationale and state objective(s)	No	The modification does not describe an issue or defect relating to 'the then current version of the Code'. Therefore is not possible to assess whether it better facilitates the achievement of the Applicable Objectives
2.	Do you believe that failure of the Profile Administrator, or any successor organisation, to provide expected Profile information would pose an unacceptable and significant risk to the quality of data entering Settlement?  Please give rationale	Yes / No	We agree that over time the failure of the Profile Administrator could pose a risk to the quality of data entering settlement. The nature and speed of this deterioration is not quantifiable without an impact assessment
3.	If BSCCo were to be allowed to provide the services currently undertaken by the Profile Administrator, do you believe such service provision should be time limited in any way, For example whilst the tendering out of the BSC Agent contract took place?  Please give rationale	Yes	The BSCCo should be limited to a period of six months whilst tenders are sought. In the event that a suitable tender is not forthcoming, a second modification should be raised to enable BSCCo to take direct responsibility for the role of Profile Administrator.

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
4.	Were BS <sup>C</sup> Co only be allowed to undertake the service for a limited period of time, do you believe that any issues exist that need to be considered by the Modification Group? Please give rationale	Yes	The relationship between BS <sup>C</sup> Co and its Agents provides market participants with considerable confidence in the contractual process. The relationship between principal and agent should therefore continue be at arm's length. This relationship should continue whilst BS <sup>C</sup> Co is temporarily managing this process. To provide confidence in the tender process, BS <sup>C</sup> Co should not tender to provide the longer-term service.
5.	Do you believe there are any alternative solutions that the Modification Group has not identified and that should be considered? Please give rationale	No	
6.	Does P133 raise any issues that you believe have not been identified so far and that should be progressed as part of the Assessment Procedure? Please give rationale	No	
7.	Are there any further comments on P133 that you wish to make?	No	

**P133\_ASS\_002 – BS<sup>C</sup>o**

<b>Respondent:</b>	Name <i>BS<sup>C</sup>o/Brian Levine</i>
<b>No. of BSC Parties Represented</b>	<i>BS<sup>C</sup>o</i>
<b>BSC Parties Represented</b>	<i>Please list all BSC Parties responding on behalf of (including the respondent company if relevant).</i>
<b>No. of Non BSC Parties Represented</b>	
<b>Non BSC Parties represented</b>	<i>Please list all non BSC Parties responding on behalf of (including the respondent company if relevant).</i>
<b>Role of Respondent</b>	<i>BS<sup>C</sup>o</i>

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
1.	Do you believe Proposed Modification P133 better facilitates the achievement of the Applicable BSC Objectives ?  Please give rationale and state objective(s)	Yes	Rationale: in order to help secure the load profiling service Objective: that the Code is given effect fully and promptly and in accordance with its terms.
2.	Do you believe that failure of the Profile Administrator, or any successor organisation, to provide expected Profile information would pose an unacceptable and significant risk to the quality of data entering Settlement?  Please give rationale	Yes	ELEXON believes that maintaining a load profiling service is important both to the continued operation of NETA and in anticipation of the transition to BETTA. Load profile data drives the Settlement system and without the underpinning load research the accuracy of Settlement and the confidence of Parties would be compromised.
3.	If BS <sup>C</sup> o were to be allowed to provide the services currently undertaken by the Profile Administrator, do you believe such service provision should be time limited in any way, for example whilst the tendering out of the BSC Agent contract took place?  Please give rationale	No	It has been suggested that if ELEXON were to take on the load profiling service it should be for only a short temporary period before handing it over to another entity. The disruption of moving the service twice over a short period (and the management and contractual issues that would arise) could increase costs to Parties and/or jeopardise the supply of the service itself. ELEXON believes that if the period for which ELEXON (or any other entity)

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
			might take on the load profiling service is to be limited, the period should cover at least the implementation of BETTA plus a year's worth of profiles thereafter.
4.	Were BSACo only allowed to undertake the service for a limited period of time, do you believe that any issues exist that need to be considered by the Modification Group?  Please give rationale	Yes	See answer to 3 above.
5.	Do you believe there are any alternative solutions that the Modification Group has not identified and that should be considered?  Please give rationale	No	
6.	Does P133 raise any issues that you believe have not been identified so far and that should be progressed as part of the Assessment Procedure?  Please give rationale	No	
7.	Are there any further comments on P133 that you wish to make?	No	

### **P133\_ASS\_003 – Aquila Networks**

Please find that Aquila Networks Plc response to P133 Assessment Consultation is 'No Comment'.

regards  
Rachael Gardener

Deregulation Control Group &  
Distribution Support Office  
AQUILA NETWORKS

### **P133\_ASS\_004 – Scottish Power**

<b>Respondent:</b>	Man Kwong Liu (SAIC Ltd)
<b>No. of BSC Parties Represented</b>	6
<b>BSC Parties Represented</b>	<i>Please list all BSC Parties responding on behalf of (including the respondent company if relevant).</i> Scottish Power UK plc; ScottishPower Energy Trading Ltd.; ScottishPower Generation Ltd; ScottishPower Energy Retail Ltd.; SP Transmission Ltd; SP Manweb plc.
<b>No. of Non BSC Parties Represented</b>	0
<b>Non BSC Parties represented</b>	<i>Please list all non BSC Parties responding on behalf of (including the respondent company if relevant).</i>
<b>Role of Respondent</b>	(Supplier/Generator/ Trader / Consolidator / Exemptable Generator / BSC Agent / Party Agent / other – please state) Supplier / Generator / Trader / Consolidator / Exemptable Generator / Party Agent

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
1.	Do you believe Proposed Modification P133 better	<b>Yes</b>	We believe that in the event when there is insufficient time to find an

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
	facilitates the achievement of the Applicable BSC Objectives ? Please give rationale and state objective(s)		<p>alternative service provider for PA, BSCCo should be allowed to step in to cover this role, such that quality and accuracy of settlement data is not compromised. This would better facilitate the achievement of the Applicable BSC Objective (d) - Promoting efficiency in the implementation and administration of the balancing and settlement arrangements.</p> <p>However, this is only under the proviso that this role is only performed on a temporary basis by BSCCo, while a permanent replacement for PA is found via a tendering process. This is due to the fact that under the current process of having PA as a BSC agent with BSCCo managing the contract and monitoring its performance gives the industry more comfort that profiles are proper and appropriate. Otherwise, this would not better facilitates the achievement of the Applicable Objective (c) Promoting effective competition...</p> <p>Also, without a proper tendering process for the service for a permanent PA, the industry would not be satisfied that the best cost effective and efficiency option has been chosen. Therefore, it would not better facilitate the achievement of the Applicable BSC Objective (d).</p>
2.	Do you believe that failure of the Profile Administrator, or any successor organisation, to provide expected Profile information would pose an unacceptable and significant risk to the quality of data entering Settlement? Please give rationale	<b>Yes</b>	We believe that profiles do shift over time. Therefore, using old profiles would not give the most accurate estimates, which could create added errors and imbalance exposure to Parties.
3.	If BSCCo were to be allowed to provide the services currently undertaken by the Profile Administrator, do you believe such service provision should be time limited in any way, For example whilst the tendering out of the BSC Agent contract took place? Please give rationale	<b>Yes</b>	<p>While BSCCo should be allowed to ensure that there should always be a PA service, the fact that under the current process of having the PA as a BSC agent, with BSCCo managing the contract and monitoring its performance gives the industry more comfort that profiles are proper and appropriate. Otherwise (if this is not time limited), this would not better facilitate the achievement of the Applicable Objective (c) Promoting effective competition...</p> <p>Also, without a proper tendering process for the service for a permanent PA, the industry would not be satisfied that the best cost effective and</p>

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
			<p>efficiency option has been chosen. Therefore, it would not better facilitate the achievement of the Applicable BSC Objective (d).</p> <p>We recognise that a specific time limitation built into the modification might lead to the need for repeated modifications when the time limitation expired. To avoid that it would be better to require BSCCo to seek Panel approval to continue carrying out the Profile Administrator role, say every 6 months or having the expiry when the tendering process is complete.</p>
4.	Were BSCCo only be allowed to undertake the service for a limited period of time, do you believe that any issues exist that need to be considered by the Modification Group? Please give rationale	<b>Yes</b>	We recognise that there could be a recruitment issue associated with BSCCo only carrying out the role for a limited period of time. Which the Mod Group will need to consider further. The concern is that there may be few people with the right experience and skill set and that they could be persuaded to join an organisation for a temporary period only.
5.	Do you believe there are any alternative solutions that the Modification Group has not identified and that should be considered? Please give rationale	<b>No</b>	Assuming that the Proposed Modification now includes BSCCo's cover as a temporary arrangement, while a permanent BSC PA agent is found in due course.
6.	Does P133 raise any issues that you believe have not been identified so far and that should be progressed as part of the Assessment Procedure? Please give rationale	<b>No</b>	Apart from those already mentioned above, there are no additional issues.
7.	Are there any further comments on P133 that you wish to make?	<b>Yes</b>	<p>It is suggested that EASL may terminate without sufficient notice. As we believe that any Agent must be required to give sufficient notice under the BSC, before the termination of the service can be agreed, have BSCCo considered the legal implications? BSCCo should at least make it clear to EASL that they would be expected to honour their contractual responsibilities.</p> <p>We agree with the approach that BSCCo should at least try to find an alternative PA service provider, and if one cannot be found BSCCo should</p>

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
			<p>provide BSC members with some comfort as to how they would ensure that profiles are accurate and appropriate. There needs to be a degree of independence between those creating the profiles and those checking the profiles, do BSCCo know how this would be addressed if they become PA? Currently, in addition to checking the profiles themselves, BSCCo send them out to a pool of industry experts for review. BSCCo have already expressed concern that this pool of experts appears to be drying up. This suggests that it would be difficult to obtain any sort of independent review of the Profile Administrator's outputs if BSCCo were doing the job themselves.</p> <p>Also, the Mod Group should consider if such a temporary arrangement should extend beyond the possibility of just losing the PA without sufficient notice, such that the redrafting of the BSC is more generic and applicable for all other BSC Agents.</p>

**P133\_ASS\_005 – Powergen**

<b>Respondent:</b>	Russell Loasby
<b>No. of BSC Parties Represented</b>	15
<b>BSC Parties Represented</b>	Powergen UK plc, Powergen Retail Limited, Diamond Power Generation Limited, Cottam Development Centre Limited, TXU Europe Drakelow Limited, TXU Europe Ironbridge Limited, TXU Europe High Marnham Limited, Midlands Gas Limited, Western Gas Limited, TXU Europe (AHG) Limited, TXU Europe (AH Online) Limited, Citigen (London) Limited, Severn Trent Energy Limited (known as TXU Europe (AHST) Limited), TXU Europe (AHGD) Limited and Ownlabel Energy Limited
<b>Role of Respondent</b>	Supplier

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
1.	Do you believe Proposed Modification P133 better facilitates the achievement of the Applicable BSC Objectives ?  Please give rationale and state objective(s)	Yes	The Profile Administrator has an important role to play in ensuring that accurate profiles are delivered to the industry on a continual basis. It is therefore prudent to make provision within the BSC, to facilitate the achievement of Applicable BSC Objective (d) 'Promoting efficiency in the implementation and administration of the balancing and settlement arrangements' to allow BSCCo to fulfil this role should the need arise.
2.	Do you believe that failure of the Profile Administrator, or any successor organisation, to provide expected Profile information would pose an unacceptable and significant risk to the quality of data entering Settlement?  Please give rationale	Yes	Shape errors would increase if basic load characteristics & temperature sensitivity change. Whilst these changes may occur slowly, there will inevitably be a gradual increase in inaccuracy, so we believe that it is essential that profiles are reviewed and updated regularly.
3.	If BSCCo were to be allowed to provide the services currently undertaken by the Profile Administrator, do you believe such service provision should be time limited in any way, For example whilst the tendering out of the BSC Agent contract took place?  Please give rationale	Yes	Yes, the services should be put out to tender periodically. This should have been the case with services currently provided by EASL. Such a tender process contributes to ensuring value for money in any contractual arrangements. Third party provision of Profile Administrator services has advantages in terms of contractual arms length and transparency.

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
4.	Were BSCCo only be allowed to undertake the service for a limited period of time, do you believe that any issues exist that need to be considered by the Modification Group? Please give rationale	Yes	There is an obvious need to deliver continuity in the service provided by the Profile Administrator. Therefore, the procurement of the relevant skills and expertise, as well as systems, needs to be considered. The possibility that no suitable 3 <sup>rd</sup> party agent is found to undertake the role should also be considered.
5.	Do you believe there are any alternative solutions that the Modification Group has not identified and that should be considered? Please give rationale	No	
6.	Does P133 raise any issues that you believe have not been identified so far and that should be progressed as part of the Assessment Procedure? Please give rationale	Yes	Understanding what exactly would happen within EASL once they have formally notified the BSCCo of their intention to withdraw services, and the implications on the six month (and possible further twelve month) period of handover to their replacement. Are they contractually bound to meet with these timescales? Also, what issues will the BSCCo Board consider before they 'make a commercial decision' permitting BSCCo or one of its subsidiary's to fulfil this role, either temporarily or permanently?
7.	Are there any further comments on P133 that you wish to make?	Yes	Whilst we support the principles behind this modification, we strongly believe that the role of the Profile Administrator should be open to third parties via a tender process. We are operating within a competitive environment, and there is no reason why this distinct element should not be subject to the same principles.

**P133\_ASS\_006 – Scottish and Southern**

Dear Sirs,

This response is sent on behalf of Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd. and SSE Energy Supply Ltd.

In relation to the seven questions listed in the Consultation Paper, contained within your note of 1st August 2003 concerning Modification Proposal P133, we have the following comments to make:-

**Q1 Do you believe Proposed Modification P133 better facilitates the achievement of the Applicable BSC Objectives? Please give rationale and state objective(s)**

Yes. Without the service of a Profile Administrator (irrespective of the contractual situation) there is a risk that the Profiles used in Settlement will be flawed. Given that the use of non flawed Profiles in Settlement is considered compatible with achieving the Applicable BSC Objectives, not having accurate Profiles must not better facilitate the achieving of the Applicable BSC Objectives. Therefore, P133, in seeking to 'secure' the Profile process does better facilitate the achieving of the Applicable BSC Objectives

**Q2 Do you believe that failure of the Profile Administrator, or any successor organisation, to provide expected Profile information would pose an unacceptable and significant risk to the quality of data entering Settlement? Please give rationale**

Yes. For the reasons outlined above and in the Consultation paper.

**Q3 If BSCCo were to be allowed to provide the services currently undertaken by the Profile Administrator, do you believe such service provision should be time limited in any way, For example whilst the tendering out of the BSC Agent contract took place? Please give rationale**

Yes. It should be time limited in order to permit a tendering process to be undertaken.

**Q4 Were BSCCo only be allowed to undertake the service for a limited period of time, do you believe that any issues exist that need to be considered by the Modification Group? Please give rationale**

Yes. The issues outlined in the Consultation paper appear to cover the principle issues that would exist in this situation.

**Q5 Do you believe there are any alternative solutions that the Modification Group has not identified and that should be considered?  
Please give rationale**

No. Furthermore, we agree, given the potential impact on the Settlement process, that a 'normal' Modification is the better approach rather than waiting till the event and seeking an 'urgent' Modification.

**Q6 Does P133 raise any issues that you believe have not been identified so far and that should be progressed as part of the Assessment Procedure? Please give rationale**

None at this time.

**Q7 Are there any further comments on P133 that you wish to make?**

Nothing further at this time.

Regards

Garth Graham  
Scottish and Southern plc

**P133\_ASS\_007 – YEDL/NEDL**

<b>Respondent:</b>	Jill Steven
<b>No. of BSC Parties Represented</b>	
<b>BSC Parties Represented</b>	<i>Please list all BSC Parties responding on behalf of (including the respondent company if relevant).</i>
<b>No. of Non BSC Parties Represented</b>	
<b>Non BSC Parties represented</b>	<i>Please list all non BSC Parties responding on behalf of (including the respondent company if relevant).</i>
<b>Role of Respondent</b>	DUoS Billing Manager for NEDL & YEDL

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
1.	Do you believe Proposed Modification P133 better facilitates the achievement of the Applicable BSC Objectives ?  Please give rationale and state objective(s)	Yes / No	The current "arms-length" split between BSCCo and the Profile Administrator appointed by ELEXON provides some comfort that a level of contract monitoring takes place and there is transparency in the process.
2.	Do you believe that failure of the Profile Administrator, or any successor organisation, to provide expected Profile information would pose an unacceptable and significant risk to the quality of data entering Settlement?  Please give rationale	Yes / No	Failure to provide profile information could introduce more inaccuracies to the Settlement system.
3.	If BSCCo were to be allowed to provide the services currently undertaken by the Profile Administrator, do you believe such service provision should be time limited in any way, For example whilst the tendering out of the BSC Agent contract took place?  Please give rationale	Yes / No	See rationale to Question 1

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
4.	Were BSCCo only be allowed to undertake the service for a limited period of time, do you believe that any issues exist that need to be considered by the Modification Group? Please give rationale	Yes / No	
5.	Do you believe there are any alternative solutions that the Modification Group has not identified and that should be considered? Please give rationale	Yes / No	
6.	Does P133 raise any issues that you believe have not been identified so far and that should be progressed as part of the Assessment Procedure? Please give rationale	Yes / No	
7.	Are there any further comments on P133 that you wish to make?	Yes / No	

**P133\_ASS\_008 – BGT (late response)**

<b>Respondent:</b>	<i>Claire Walsh, BGT</i>
<b>No. of BSC Parties Represented</b>	
<b>BSC Parties Represented</b>	
<b>No. of Non BSC Parties Represented</b>	
<b>Non BSC Parties represented</b>	
<b>Role of Respondent</b>	<i>Supplier</i>

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
1.	Do you believe Proposed Modification P133 better facilitates the achievement of the Applicable BSC Objectives ?  Please give rationale and state objective(s)	Yes	MOD P133 better facilitates BSC Objective (d) through the accurate and ongoing maintenance of data provided by a Profile Administrator to maintain the integrity of settlement.
2.	Do you believe that failure of the Profile Administrator, or any successor organisation, to provide expected Profile information would pose an unacceptable and significant risk to the quality of data entering Settlement?  Please give rationale	Yes	As documented – should a PA not be procured within a timely manner to ensure a seamless handover from EASL (if indeed it provides the 6 months required notice) to a new Profile Administrator, an alternative is to utilise the previous years data, which reduces the accuracy & integrity of settlement.
3.	If BSCCo were to be allowed to provide the services currently undertaken by the Profile Administrator, do you believe such service provision should be time limited in any way, For example whilst the tendering out of the BSC Agent contract took place?  Please give rationale	Yes	Should ELEXON provide a contingency service in the absence of a Profile Administrator, this role should be time limited whilst a tendering process is undertaken for a BSC Agent to fulfil the role, therefore enabling and adding to a competitive tendering framework with the for a cost efficient service.

<b>Q</b>	<b>Question</b>	<b>Response</b>	<b>Rationale</b>
4.	Were BSCCo only be allowed to undertake the service for a limited period of time, do you believe that any issues exist that need to be considered by the Modification Group? Please give rationale	Yes	The cost of the set up and running of such a contingency must be understood and agreed upon from the outset prior to the onset of the role. In addition will this cause barriers to running a concurrent effective tender process?
5.	Do you believe there are any alternative solutions that the Modification Group has not identified and that should be considered? Please give rationale	No	
6.	Does P133 raise any issues that you believe have not been identified so far and that should be progressed as part of the Assessment Procedure? Please give rationale	No	
7.	Are there any further comments on P133 that you wish to make?	No	As EASL has not yet formally communicated its intention to cease providing the role of the Profile Administrator with the contractual 6-months notice, this Modification is fairly presumptuous and has incurred time, effort and cost. What is the potential that a similar issue with risks may arise and a similar process is required?