

## BSC Party P109 Impact Assessments

Organisation	Comments
<p><b>Man Kwong Liu</b> Scottish Power</p>	<p>What impact, if any, will the Proposed Modification have on your organisation? <b>The impact of implementing P109 in our organisation would be low.</b></p> <p>What implementation timescale, if applicable, would your organisation require to implement the changes associated with the Proposed Modification? <b>None, it could be managed alongside the implementation of the changes required to accommodate the modification which triggered the implementation of P109.</b></p> <p>If this Modification is not applicable to your organisation, please indicate why (e.g. proposed changes do not apply to Party Agents).</p> <p>Any other comments:</p> <p><b>Please see our P109 Assessment Consultation response.</b></p>
<p><b>Ros Parsons</b> Npower Ltd, Npower Direct Ltd, Npower Yorkshire Ltd, Npower Yorkshire Supply Ltd</p>	<p>What impact, if any, will the Proposed Modification have on your organisation?</p> <p><b>This modification may require system changes to Settlement Validation System functionality although as yet this has not been fully defined by the Software Provider.</b></p> <p><b>New processes will be required to determine whether to apply for F factors in generation and to monitor the impact of F factor volumes on TLMs and TLMOs. Parties may be encouraged to deregister BMU then re register as a new BMU to change F factors and thus exposure to TLMs. In addition, such changes have a consequent impact on costs both for the individual party and for all existing parties through TLMO adjustments</b></p> <p>What implementation timescale, if applicable, would your organisation require to implement the changes associated with the Proposed Modification?</p> <p><b>Lead time for changes to the system should they be required would be 6 months notice.</b></p> <p>If this Modification is not applicable to your organisation, please indicate why (e.g. proposed changes do not apply to Party Agents).</p> <p>Any other comments:</p> <p><b>P109 will not better facilitate Objective C of the BSC relating to “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”. The electricity market has been aware of the potential risks associated with the introduction of a zonal transmission losses scheme for a considerable time</b></p>

	<p>period (since 1990). Implementation of P109 would reward inefficient investments and inaccurately target the costs of losses to those parties that create them. In addition, it would delay the benefits of any zonal scheme from reaching the appropriate market participants, perpetuate the existing cross subsidy, increase the cost of losses and result in further inefficient investment.</p> <p>Furthermore, P109 does not better achieve Objective D of the BSC. It would be administratively complex and potentially expensive to implement.</p>
<p><b>Margaret Brunton</b> Npower Northern Ltd, Npower Northern Supply Ltd</p>	<p>What impact, if any, will the Proposed Modification have on your organisation?</p> <p><b>This modification may require system changes to Settlement Validation System functionality although as yet this has not been fully defined by the Software Provider.</b></p> <p><b>New processes will be required to determine whether to apply for F factors in generation and to monitor the impact of F factor volumes on TLMs and TLMOs. Parties may be encouraged to deregister BMU then re register as a new BMU to change F factors and thus exposure to TLMs. In addition, such changes have a consequent impact on costs both for the individual party and for all existing parties through TLMO adjustments</b></p> <p>What implementation timescale, if applicable, would your organisation require to implement the changes associated with the Proposed Modification?</p> <p><b>Lead time for changes to the system should they be required would be 6 months notice.</b></p> <p>If this Modification is not applicable to your organisation, please indicate why (e.g. proposed changes do not apply to Party Agents).</p> <p>Any other comments:</p> <p><b>P109 will not better facilitate Objective C of the BSC relating to “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”. The electricity market has been aware of the potential risks associated with the introduction of a zonal transmission losses scheme for a considerable time period (since 1990). Implementation of P109 would reward inefficient investments and inaccurately target the costs of losses to those parties that create them. In addition, it would delay the benefits of any zonal scheme from reaching the appropriate market participants, perpetuate the existing cross subsidy, increase the cost of losses and result in further inefficient investment.</b></p> <p><b>Furthermore, P109 does not better achieve Objective D of the BSC. It would be administratively complex and potentially expensive to implement.</b></p>
<p><b>Rachael Gardener</b></p>	<p>No comment.</p>

Aquila Networks	
<p><b>Rupert Judson</b> LE Group</p>	<p>Please note the following responses to the DLIA questions for modification P109 on behalf of LE Group.</p> <p><b>What impact, if any, will the Proposed Modification have on your organisation?</b></p> <p><i>Any changes to the calculation of energy volumes used in settlement will require changes to our settlement systems. The extent of changes required will be dependent on the nature of changes to the settlement algebra. Consideration has been given to a range of options with differing levels of change to settlement report data and differing requirements for checking TLM calculation. The estimated costs to implement these changes to our systems are £45k.</i></p> <p><i>We have not had sufficient time to consider the impact of changes to the Credited Energy Volume calculations that were proposed at the Modification Group meeting on 28 January. These changes would have wider systems effects than changes only to the TLM calculation and would therefore require more extensive changes to our systems.</i></p> <p><b>What implementation timescale, if applicable, would your organisation require to implement the changes associated with the Proposed Modification?</b></p> <p><i>Changes to settlement systems typically have a lead time of 3-6 months depending on other concurrent changes or systems releases.</i></p> <p><b>If this Modification is not applicable to your organisation, please indicate why (e.g. proposed changes do not apply to Party Agents).</b></p> <p><i>This modification is applicable to LE Group.</i></p> <p><b>Any other comments:</b></p> <p>None</p>
<p><b>Clare Talbot</b> NGC</p>	<p>What impact, if any, will the Proposed Modification have on your organisation?</p> <p><b>There is no direct impact on our systems or processes from this Modification Proposal although there will be some small involvement from certain groups within National Grid e.g. Interconnectors.</b></p> <p>What implementation timescale, if applicable, would your organisation require to implement the changes associated with the Proposed Modification?</p> <p><b>As there is no direct impact on our systems or processes, we do not believe that there is a specific lead-time required for us to be able to implement P109.</b></p> <p>If this Modification is not applicable to your organisation, please indicate why (e.g. proposed changes do not apply to Party Agents). (See response above).</p> <p><b>Any other comments: None</b></p>
<p><b>Rachel Lockley</b> British Energy</p>	<p>What impact, if any, will the Proposed Modification have on your organisation? <b>Last part of document states change to party interface to CRA and to the SAA I014 report. This will impact our systems.</b></p> <p>What implementation timescale, if applicable, would your organisation require to implement the changes associated with the Proposed Modification? <b>3 months</b></p>

	<p>If this Modification is not applicable to your organisation, please indicate why (e.g. proposed changes do not apply to Party Agents).</p> <p>Any other comments:</p>
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