

P109 TRANSMISSION COMPANY ANALYSIS AND IMPACT ASSESSMENT – RESPONSE PRO-FORMA

In accordance with paragraph F 2.8 of the Code, please respond to the following questions concerning P109 (including the rationale for each response):

Q	Question	Response
1	Please outline any impact of the Proposed Modification (and, if applicable, any Alternative Modification) on the ability of the Transmission Company to discharge its obligations efficiently under the Transmission Licence and on its ability to operate an efficient, economical and co-ordinated transmission system.	We do not believe that the implementation of P109 directly effects the ability of the Transmission Company to discharge its obligations efficiently.
2	Please outline the views and rationale of the Transmission Company as to whether the Proposed Modification (and, if applicable, any Alternative Modification) would better facilitate achievement of the Applicable BSC Objectives.	We do not think that P109 better facilitates the Applicable BSC Objectives. There are a number of benefits provided to participants with the introduction of P109. However, these benefits are unlikely to outweigh the complexity and costs involved in implementing and administering such a scheme, and will tend to undermine the benefits of P82.
3	Please outline the impact of the Proposed Modification (and, if applicable, any Alternative Modification) on the computer systems and processes of the Transmission Company, including details of any changes to such systems and processes that would be required as a result of the implementation of the Proposed Modification (and, if applicable, any Alternative Modification)	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.
4	Please provide an estimate of the development, capital and operating costs (broken down in reasonable detail) which the Transmission Company anticipates that it would incur in, and as a result of, implementing the Proposed Modification (and, if applicable, any Alternative Modification).	None identified.
5	Please provide details of any consequential changes to Core Industry Documents that would be required as a result of the implementation of the Proposed Modification (and, if applicable, any Alternative Modification).	None identified.
6	Any other comments on the Proposed Modification (and Alternative Modification if applicable).	None.

Please send your response by **5pm** on **Friday 31 January 2003** to modifications@elexon.co.uk. Any queries regarding the analysis should be addressed to Roger Salomone on 020 7380 4369 or email address roger.salomone@elexon.co.uk.