

Beverley,

As discussed National Grid would like to refer the following Issue to the Governance Standing Group. I would be grateful if you could progress and please let me know if you require any further information from us at this stage.

Regards,

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Implementation Dates: Issue for referral to a Standing Group.

The Transmission Licence states that the BSC shall include procedures for its own modification. These procedures are set out in Section F of the Code. Amongst other things, the Licence Condition C3.4(c) states:

'...for the timetable.....for implementation of any modification to be such as will enable the modification to take effect as soon as practicable after the Authority has directed such modification to be made and for that timetable to be extended or shortened with the consent of or as directed by the Authority after those persons likely to be affected by the revision of the timetable have been consulted'

It has been suggested that this licence wording suggests that a Modification must always have a viable implementation date.

The relevant BSC clauses that address this licence requirement are:

F2.11.7 Without prejudice to the obligations of the Panel and BSCCo under this Section F, the Implementation Date may be extended or brought forward with the prior approval of, or at the direction of, the Authority.

F2.11.8 The Panel shall apply to the Authority for an extension to the Implementation Date if it becomes aware of any circumstance which is likely to cause a delay in the implementation of an Approved Modification

F2.11.9 The Panel may, after consultation with the persons listed in paragraph 2.1.10(a), apply to the Authority (providing copies of the representations made in such consultation) to bring forward the Implementation Date if the Panel is satisfied that as Approved Modification is capable of being implemented sooner than the current Implementation date and is of the opinion that its implementation should be so brought forward.

It should be noted that an Implementation Date can only refer to an Approved Modification. Therefore, the BSC only allows for an Implementation Date to be changed once a modification has been approved. P93 considered the issue of amending implementation dates prior to an Authority decision being made but was rejected.

The current practice of presenting Modification Reports to the Authority is to include two potential Implementation Dates. The first is applicable up until a certain trigger date has passed, and the second is applicable once the first trigger date has passed, and up until a second trigger date passes. Therefore if an Authority decision is not forthcoming prior to the second trigger date, the Modification is effectively timed out and no longer viable for implementation. It should be noted that for 'non-system release' related modifications a different construction is used which is of the form implementation 'x' business days after an Authority decision. In this latter case, the modification can never time out. The overall issue of construction of implementation dates is described in more detail in BSC Panel Paper 80/004.

It has been suggested that there is a potential inconsistency between the requirements of the Transmission Licence and the BSC in that there are currently circumstances that could (and indeed have) arise where a modification does not have a viable implementation date (i.e. the second trigger date has passed).

If this is the case then there are three potential courses of action:

- 1) Amend the Transmission Licence
- 2) Modify the BSC
- 3) Change the way that Elexon constructs Implementation Dates in Modification Reports (this approach was rejected by the Panel on 12 August 2004 in response to Paper 80/004).

This point was discussed to a certain extent in the Governance Standing Group in the context of Issue 9 however, discussions were somewhat limited due to the prospect of the paper due for presentation to the Panel. Therefore, NGT believes that the specific issue of whether there is potential inconsistency between the transmission licence and the BSC should be considered by BSC Parties, and would like to raise the whole issue of 'Implementation Dates' for consideration as an Issue.

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