

P286 IMPLEMENTATION DATE CONSULTATION RESPONSES

P286 'Revised treatment of RCRC for generation BM Units'

This consultation was issued on 20 March 2014, with responses invited by 17 April 2014.

Consultation respondents

Respondent	No. of Parties/Non-Parties Represented	Role(s) Represented
SmartestEnergy Ltd	1 / 0	Supplier
ScottishPower Energy Management Ltd	7 / 0	Generator / Supplier / Distributor / Exemptable Generator / Trader / Consolidator
EDF Energy	10 / 0	Generator / Supplier / Exemptable Generator / Party Agent / Trader / Consolidator
E.ON (<i>late response</i>)	5 / 0	Generator / Supplier / Exemptable Generator / Trader / Consolidator

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Question 1: Do you agree with the BSC Panel's revised proposed Implementation Date for P286?

Summary

Yes	No	Neutral/No Comment	Other
3	0	0	1

Responses

Respondent	Response	Rationale
SmartestEnergy Ltd	-	This is consistent with the lead time of the previous implementation dates. However, in the previous consultation we were of the view that, given that some long term contracts would be affected, we were not sure that two years long enough. Three would be preferable.
ScottishPower Energy Management Ltd	Yes	<p>On 26 April 2013 the CUSC Panel voted by majority that CMP201 and its two Alternatives would better meet the Applicable CUSC Objectives. Therefore, should the Authority decide to direct implementation of CMP201 it has option of directing implementation on the 1st April 2 years, 3 years or 5 years following the charging year in which it makes its decision. Assuming an Authority decision before 31 March 2015, the Authority would have the option of directing implementation on 1 April 2017, 2018 or 2020.</p> <p>The BSC Panel's revised implementation date for P286 of 1 April 2017 should not present an issue provided the Authority approves the CMP201 Original Proposal as preferred by the CUSC Panel. However, Should the Authority direct implementation of CMP201 WACM1 or 2, with an implementation date later than 1 April 2017, generator parties would be in the position where they would continue to pay BSUoS for a period while not being subject to RCRC charges/receipts. This would unfairly penalise generator parties. It is ScottishPower's understanding that both the Proposer and Working Group for P286 intended that both CMP201 and P286 be implemented on the same date.</p>
EDF Energy	Yes	1 April 2017 aligns with the likely earliest date indicated by the Authority for potential implementation of related proposal CMP201.
E.ON (<i>late response</i>)	Yes	We agree that P286 is contingent on CMP201 and that the proposed changes to BSUoS and RCRC should be implemented

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Respondent	Response	Rationale
		in parallel, therefore as the Authority did not reach a decision on CMP201 on or before 31 March this year, another implementation date for P286 is required to tie in with CMP201. We trust that a decision on CMP201 and P286 will be reached before April 2015 so that single revised date for P286 implementation on 01/04/17 subject to a decision by 31/03/15 will be sufficient.

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Question 2: Do you have any further comments on P286?

Summary

Yes	No
1	3

Responses

Respondent	Response	Comments
SmartestEnergy Ltd	No	-
ScottishPower Energy Management Ltd	No	-
EDF Energy	Yes	We agree that P286 is closely related to CMP201 and if a decision is made to approve CMP201 the implementation of P286 should be aligned with it. A rolling potential implementation date with 2 years notice would provide more flexibility, but 1 April is a convenient time for most industry participants and many bilateral contracts, and a single fixed date reduces uncertainty that could act in a small way against BSC Objectives (c) concerning competition and (d) concerning BSC costs.
E.ON (<i>late response</i>)	No	-