David Osborne
EMR Team
Elexon Ltd
350 Euston Road
London
NW1 3AW

Elexon EMR Data Flows Consultation

Friday 7th March 2014

Dear David,

The Industrial and Commercial Shippers and Suppliers (ICoSS) group represents all the major non-domestic industrial and commercial (I&C) suppliers in the GB energy market, supplying 70% of the gas needs of the non-domestic sector; a number of our members also supply electricity to their customers[1].

I am writing with regard to the consultation on EMR data flows, in particular with regards the opportunity for further utilizing the DTN (Data Transfer Network) that Electralink runs.

ICoSS, representing the majority of the non-domestic sector, supports the utilization of existing industry systems namely the DTS to which the majority of parties who will interact with the EMR systems are already connected.

We understand that any additional traffic on the DTS as a result of EMR would not result in Electralink incurring any additional cost, which would mean the overall cost to Electralink would not increase and thus the incremental cost to industry would be zero. As the DTS is a fixed cost and is not dependent on level of utilization, any increases in costs to Elexon through higher usage, will not result in overall increased costs to industry. This issue was well covered in the report that was presented to the November BSC Panel on Issue 52, from which we take the following observations:

- The introduction of an alternative route for receiving the relevant data flows would allow them [suppliers] the option to move away from the DTS and thus avoid these costs altogether. However, Group members highlighted that, while this would result in cost savings under the BSC, those costs would need to be reallocated to Supplier Charges to

[1] *Current Membership: Co-Operative Energy (associate), Corona Energy, ENI, First Utility (associate), Hudson Energy (associate), Gazprom Energy, GDF Suez Energy UK, Statoil UK, Total Gas & Power, Wingas UK.*

E: gareth@icoss.org T: +44 (0)1473 822503
icoss, 41 Merton Hall Road, London, SW19 3PR
www.icoss.org

allow the DTS Operator to fully recoup its costs. This would result in no cost-savings overall …….....

- The Group also believes that there is no benefit in developing an alternative delivery mechanism as while the development of an alternative mechanism could allow ELEXON to reduce the costs incurred under the BSC in using the DTS, these costs would need to be reallocated by the DTS Operator, resulting in no overall benefit to participants .....

Not only should a holistic view be taken of industry costs incurred by suppliers, but also priorities given to security and ease of system use – the three options outlined (Secure FTP, web services , web portal) would all incur development costs, and would take time to become well understood by industry (in contrast to the DTN). Such alternatives to the DTN would therefore result in greater costs to industry and the customer.

For new connection purposes, the DTS would also be a low cost option which uses the public internet to connect low volume DTS users e.g. Green Deal providers, with gateway solutions that require minimum new systems build and overcome the disadvantages of email.

Lastly, when assessing the various options, we also believe that of the design principles stated, 'affordability' should instead become 'at least cost' to the industry.

Please feel free to contact me if you wish to discuss our response in any further detail.

Yours sincerely,

Gareth Evans
Chair ICoSS

E: gareth@icoss.org T: +44 (0)1473 822503
icoss, 41 Merton Hall Road, London, SW19 3PR
www.icoss.org