

Report Phase Consultation Responses

P345 'Reducing the CAP change notice period and improving its flexibility'



Phase

Initial Written Assessment

Definition Procedure

Assessment Procedure

Report Phase

Implementation

This Report Phase Consultation was issued on 13 June 2016, with responses invited by 1 July 2016.

Consultation Respondents

Respondent	No. of Parties/Non-Parties Represented	Role(s) Represented
SmartestEnergy	1/0	Supplier
Everis obo ScottishPower	8/0	Generator, Distributor, Non Physical Trader, ECVNA, MVRNA
SSE plc	6/0	Generator, Supplier, Interconnector User

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Question 1: Do you agree with the Panel's initial unanimous recommendation that P345 should be approved?

Summary

Yes	No	Neutral/No Comment	Other
3	0	0	0

Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	None provided.
Everis obo ScottishPower	Yes	We agree with the Panel's views that Objectives c) and d) are better achieved by implementing this Modification. Allowing Parties to manage their lodged credit in a more efficient manner, reducing the financial burden on Parties (where they are over-secured but unable to reduce that security because the CAP value has not yet gone live) is beneficial to Objective c). Similarly, ensuring that Parties are required to lodge additional funds in a timely manner is beneficial to market efficiency (Objective d).
SSE plc	Yes	With the introduction of single marginal cash-out prices, and the increased volatility in prices, it is appropriate that the Credit Committee is able to adjust CAP more flexibly to reflect near-term price trends. We therefore continue to believe that this proposal better facilitates applicable objectives c) and d) for the reasons stated in the original proposal.

Question 2: Do you agree with the Panel that the redlined changes to the BSC deliver the intention of P345?

Summary

Yes	No	Neutral/No Comment	Other
3	0	0	0

Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	No comment.
Everis obo ScottishPower	Yes	None provided.
SSE plc	Yes	None provided.

Question 3: Do you agree with the Panel's recommended Implementation Date?

Summary

Yes	No	Neutral/No Comment	Other
3	0	0	0

Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	None provided.
Everis obo ScottishPower	Yes	As a documentation / process change only this should be implemented as soon as possible.
SSE plc	Yes	None provided.

Question 4: Do you agree with the Panel's initial view that P345 should be treated as a Self-Governance Modification?

Summary

Yes	No	Neutral/No Comment	Other
3	0	0	0

Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	None provided.
Everis obo ScottishPower	Yes	None provided.
SSE plc	Yes	None provided.

Question 5: Do you have any further comments on P345?

Summary

Yes	No
1	2

Responses

Respondent	Response	Rationale
SmartestEnergy	No	N/A
Everis obo ScottishPower	Yes	While the draft legal text adequately delivers the intention of the Modification, it might provide more clarity for Parties who are less familiar with the Code and CSDs, to provide a pointer to the CAP Review Guidance document within Section M.
SSE plc	No	N/A