



30 November 2001

URGENT MODIFICATION REPORT
Modification Proposal P54: Ability
to Hold Short Notice BSC Panel
Meetings

Prepared by ELEXON on behalf of the Balancing
and Settlement Code Panel

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I DOCUMENT CONTROL

a Authorities

Version	Date	Author	Signature	Change Reference
1.0	30/11/01	G Forrester		Final Version for Authority

b Distribution

Name	Organisation
Each BSC Party	Various
Each BSC Agent	Various
The Gas and Electricity Markets Authority	Ofgem
Each BSC Panel Member	Various
energywatch	energywatch
Core Industry Document Owners	Various

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1 DESCRIPTION OF PROPOSED MODIFICATION

The proposal seeks to provide for meetings of the BSC Panel to be convened at very short notice (as short as 1 hour) if, in the Panel Chairman's opinion, any matter arises which is of a sufficiently urgent nature as to require a decision of the Panel in such timescales. At present, the BSC (B4.1.10) only allows meetings to be convened at a minimum of 24 hours notice, subject to the consent of all Panel Members.

2 RECOMMENDATION

The BSC Panel recommends to the Authority that:

The Proposed Modification, as set out in Section 6 of this report be approved and implemented with immediate effect.

3 RATIONALE FOR RECOMMENDATIONS

This proposal seeks to address the concern that the Panel is currently unable to respond within 24 hours to major events that impact upon the Balancing and Settlement arrangements, potentially preventing the Panel from taking timely action in the event of an emergency. The ability to convene meetings of the Panel at shorter notice in such circumstances will therefore increase the efficiency with which the Panel can discharge its functions under the BSC and hence will better facilitate the achievement of the Applicable BSC Objective contained in Condition C3.3(d) of the Transmission Licence, 'Promoting efficiency in the implementation and administration of the balancing and settlement arrangements'.

4 STATEMENT OF URGENCY

This proposal was raised at the time of a considerable amount of speculation over possible events of default in the electricity market. It became clear in that context that there may be a requirement for the Panel to meet at very short notice to make decisions under the BSC required in such circumstances and that the current requirement for a minimum of 24 hours notice did not provide sufficient flexibility to support such a requirement.

5 PROCEDURE AND TIMETABLE

Modification Proposal P54 was submitted by NGC on 29 November 2001, with a recommendation that the proposal be treated as an Urgent Modification Proposal pursuant to BSC F2.9. After seeking the views of BSC Panel Members on 30 November 2001, the Panel Chairman consulted the Authority on the urgency of the proposal. The Authority consented to the urgent treatment of the proposal and directed that the Modification Report should be completed and submitted on the same day. The Authority also directed that consultation on this proposal was not necessary.

6 LEGAL TEXT TO GIVE EFFECT TO THE PROPOSED MODIFICATION

A new section 4.7 to be inserted into Section B of the BSC, as follows:

4.7 Urgent Panel Meetings

4.7.1 Notwithstanding anything to the contrary in the preceding provisions of this paragraph 4, if any matter (not being Modification Business) arises which, in the Panel Chairman's opinion is of a sufficiently urgent nature as to require a decision of the Panel earlier than may be possible under paragraph 4.1.10:

- (a) the Panel Chairman shall determine the time by which, in his opinion, a decision of the Panel is required in relation to such matter, having regard to the degree of urgency in all the circumstances, and references in this paragraph 4.7 to the 'time available' shall mean the time available, based on any such determination of the Panel Chairman;
- (b) the Panel Secretary shall, at the request of the Panel Chairman, convene a meeting or meetings (including meetings by telephone conference call, where appropriate) of the Panel in such manner and on such notice (but in any event not less than 1 hours notice) as the Panel Chairman considers appropriate, and such that, where practicable within the time available, as many Panel Members as possible may attend;
- (c) each Panel Member shall be deemed to have consented, for the purposes of paragraph 4.1.10, to the convening of such meeting(s) in the manner and on the notice determined by the Panel Chairman.

ANNEX 1 – COPY OF MODIFICATION PROPOSAL

Modification Proposal	MP No: 54 <i>(mandatory by BSCCo)</i>
Title of Modification Proposal <i>(mandatory by proposer):</i> Ability To Hold Short Notice BSC Panel Meetings	
Submission Date <i>(mandatory by proposer):</i> 29 November 2001	
Description of Proposed Modification <i>(mandatory by proposer):</i> The Modification proposes that the notice period required to hold a BSC Panel Meeting is reduced from 24 hours to 1 hour at the discretion of the BSC Panel Chairman	
Description of Issue or Defect that Modification Proposal Seeks to Address <i>(mandatory by proposer):</i> Currently, the Panel is unable to respond within 24 hours to major events that impact upon the electricity market. This may prevent the Panel from taking timely action in event of an emergency.	
Impact on Code <i>(optional by proposer):</i> Amendment will be required to Section B4.1.10 of the Code.	
Impact on Core Industry Documents <i>(optional by proposer):</i> None	
Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties <i>(optional by proposer):</i> None	
Impact on other Configurable Items <i>(optional by proposer):</i> None	
Justification for Proposed Modification with Reference to Applicable BSC Objectives <i>(mandatory by proposer):</i> The Modification will better meet the following Applicable BSC Objective: (d) Promoting efficiency in the implementation and administration of the balancing and settlement arrangements	

Modification Proposal	MP No: 54 <i>(mandatory by BSCCo)</i>
Details of Proposer: Name: Phil Lawton Organisation: National Grid Telephone Number: 0247642 3966 Email Address: phil.lawton@uk.ngrid.com	
Details of Proposer's Representative: Name: Phil Lawton Organisation: National Grid Telephone Number: 0247642 3966 Email Address: phil.lawton@uk.ngrid.com	
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	
Attachments: NO If Yes, Title and No. of Pages of Each Attachment:	