

Responses from P127 Draft Report Consultation

Consultation issued 18 September 2003

Representations were received from the following parties:

No	Company	File Number	No. BSC Parties Represented	No. Non-Parties Represented
1.	IMServ	P127_DR_001	0	2
2.	EDF Energy	P127_DR_002	9	0
3.	Philip Russell	P127_DR_003	0	1
4.	Innogy	P127_DR_004	9	0
5.	Scottish and Southern	P127_DR_005	4	0
6.	Aquila Networks	P127_DR_006	1	0
7.	British Gas Trading	P127_DR_007	1	0
8.	YEDL/NEDL	P127_DR_008	2	0

P127_DR_001 – IMServ

Respondent:	<i>Name: Katie Sarl (on behalf Heather Galvin)</i>
No. of BSC Parties Represented	
BSC Parties Represented	<i>Please list all BSC Parties responding on behalf of (including the respondent company if relevant).</i>
No. of Non BSC Parties Represented	
Non BSC Parties represented	<i>Please list all non BSC Parties responding on behalf of (including the respondent company if relevant).</i> IMServ Europe Ltd, IMServ Meterpoint Ltd.
Role of Respondent	<i>(Supplier/Generator/ Trader / Consolidator / Exemptable Generator / BSC Agent / Party Agent / other – please state)</i>

Q	Question	Response	Rationale
1.	Do you agree with the Panel's views on P127 and the provisional recommendation to the Authority contained in the draft Modification Report that the Alternative Modification should be made? Please give rationale.	Yes / No	N/A
2.	Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale.	Yes / No	N/A
3.	Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P127? Please give rationale.	Yes / No	N/A
4.	Are there any further comments on P127 that you wish to make?	Yes / No	N/A

P127_DR_002 – EDF Energy

Respondent:	<i>Paul Chesterman</i>
No. of BSC Parties Represented	9
BSC Parties Represented	EDF Energy Networks (EPN) plc; EDF Energy Networks (LPN) plc EDF Energy Networks (SPN) plc; EDF Energy (Sutton Bridge Power) EDF Energy (Cottam Power) Ltd; EDF Energy (West Burton Power) Ltd; EDF Energy plc; London Energy plc; Seeboard Energy Limited
No. of Non BSC Parties Represented	
Non BSC Parties represented	
Role of Respondent	Supplier / Generator / Party Agent / Distribution Business

Q	Question	Response	Rationale
1.	Do you agree with the Panel's views on P127 and the provisional recommendation to the Authority contained in the draft Modification Report that the Alternative Modification should be made? Please give rationale.	Yes	
2.	Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale.	Yes / No	I am unable to resource a careful review of the legal text.
3.	Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P127? Please give rationale.	Yes	
4.	Are there any further comments on P127 that you wish to make?	No	

P127_DR_003 – Philip Russell

Response to Draft Mod Report on P127

The Mod Proposal that has been recommended by the Mod Group to the Panel will, in practical terms, only allow a small proportion of insolvent Parties to withdraw from the Code. The reason being that as drafted it would be necessary for the entity operating the insolvency process to pay the BSCCo charges and Party Charges before being allowed to set its credit cover to zero (thereby releasing the Banks from the obligation to renew any LC) or having any net credits which have arisen during the 14 month reconciliation process released to it. Given that the insolvent party may not be able or willing to pay such amounts the practical effect is to leave Elexon continuing to invoice the Base Monthly Charge until such time as the liquidator declares claims final and applies to the courts to have any retained monies paid over.

The Mod Proposal as drafted can be summarised as being a wish to make it as difficult as possibly for any insolvent to have any monies arising from Trading Charges returned to them unless they pay in full for any BSCCo Charges and Party Charges. If this is what the industry wishes to recommend to the Authority that is fine, but it is not entirely obvious that this approach "would promote efficiency in the implementation and administration of the balancing and settlement arrangements".

Philip Russell

25th September 2003

P127_DR_004 – Innogy

Respondent:	<i>Innogy</i>
No. of BSC Parties Represented	
BSC Parties Represented	<i>Innogy plc; Innogy Cogen Ltd; Innogy Cogen Trading Ltd; npower Ltd; npower direct Ltd; npower Yorkshire Ltd; npower Yorkshire supply Ltd; npower northern ltd; npower northern supply Ltd</i>
No. of Non BSC Parties Represented	9
Non BSC Parties represented	<i>Please list all non BSC Parties responding on behalf of (including the respondent company if relevant).</i>
Role of Respondent	<i>(Supplier/Generator/ Trader / Consolidator / Exemptable Generator / BSC Agent / Party Agent / other – please state)</i>

Q	Question	Response	Rationale
1.	Do you agree with the Panel's views on P127 and the provisional recommendation to the Authority contained in the draft Modification Report that the Alternative Modification should be made? Please give rationale.	Yes	
2.	Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale.	Yes	
3.	Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P127? Please give rationale.	Yes	
4.	Are there any further comments on P127 that you wish to make?	Yes	

P127_DR_005 – Scottish and Southern

This response is sent on behalf of Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd. and SSE Energy Supply Ltd.

Further to your note of 18th September 2003, and the associated Modification Report for P127, we agree with the proposed BSC Panel recommendation to the Authority that Alternative Modification Proposal P127 should be made.

For the avoidance of doubt, we also agree with the proposed BSC Panel recommendation to the Authority that the original Modification Proposal P127 should not be made.

If the Alternative Modification Proposal P127 is approved, we agree with the proposed BSC Panel recommendation on the timing for the Implementation Date, as outlined in Section 2 of the Modification Report.

Regards

Garth Graham
Scottish & Southern Energy plc

P127_DR_006 – Aquila Networks

Please find that there is no impact to Aquila Networks Plc systems and/or processes.

regards
Rachael Gardener

Deregulation Control Group &
Distribution Support Office
AQUILA NETWORKS

P127_DR_007 – British Gas Trading

Re: Modification Proposal P127 – Optional De-registration by Insolvent Party

Thank you for the opportunity of responding to this draft modification report considering Modification Proposal P127. British Gas Trading (BGT) agrees the Alternative Modification Proposal will better facilitate Applicable BSC Objective (d).

The alternative developed by the modification group appears to be a pragmatic solution. It allows the Base Monthly Charge to be set to zero thus capping the defaulting party's liability, as identified in the defect whilst not adversely impacting on the ability of ELEXON to recover the liabilities accrued by the defaulting party from Trading Charges.

BGT agree with the recommended implementation date of P127.

Yours faithfully

Mark Manley
Contract Manager

P127_DR_008 – YEDL/NEDL

Respondent:	<i>Ann Penford</i>
No. of BSC Parties Represented	<i>2</i>
BSC Parties Represented	<i>YEDL and NEDL</i>
No. of Non BSC Parties Represented	<i>None</i>
Non BSC Parties represented	<i>None</i>
Role of Respondent	<i>BSC Party</i>

Q	Question	Response	Rationale
1.	Do you agree with the Panel's views on P127 and the provisional recommendation to the Authority contained in the draft Modification Report that the Alternative Modification should be made? Please give rationale.	Yes	
2.	Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale.	Yes	
3.	Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P127? Please give rationale.	Yes	
4.	Are there any further comments on P127 that you wish to make?	No	