February 2002

URGENT MODIFICATION REPORT

MODIFICATION PROPOSAL P67 - Facilitation of Further Consolidation Options for Licence Exempt Generators (DTI Consolidator Working Group 'Option 4')

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

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c 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

d Related Documents

Reference 1	Interim Report to the DTI of the Consolidation Working Group (January 2002)
Reference 2	Report to the DTI of the Consolidation Working Group (February 2002)
Reference 3	Ofgem Press Release, 7/2/02, “Ofgem Publishes Final Report From Smaller Generators Group”
Reference 4	Non-Fossil Purchasing Agency Ltd Press Release, 1 February 2002

Reference 5	Approval of the Changes to the Relevant Code Subsidiary Documents for P67 – Facilitation of Further Consolidation Options for Licence Exempt Generators (DTI Consolidator Working Group 'Option 4'), Issued on 8 February 2002 (SVG/12/153)
Reference 6	Special Supplier Volume Allocation Group minutes, 18 February 2002 (SVG/12/153)
Reference 7	Approval of the Changes to BSCP531 'Accreditation' for P67 - Facilitation of Further Consolidation Options for Licence Exempt Generators (DTI Consolidator Working Group 'Option 4'), Issued on 8 February 2002 (NPAB12/153)

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1 SUMMARY AND RECOMMENDATIONS

1.1 Recommendation

On the basis of the analysis, consultation and assessment undertaken in respect of this Modification Proposal, and the resultant findings of this report, the BSC Panel recommends that:

(i) Modification Proposal 67 should be made; and

(ii) the Implementation Date for Modification Proposal 67 shall be 8 March 2002.

1.2 Background

The NETA arrangements sought to give generators greater choice as to where they sold their output and prior to NETA Go-Live four options had been identified for a Licence Exempt Generator (LEG) to sell its output. One option was for the LEG to become a Party to the Balancing and Settlement Code (Code). The second option was for the LEG to sell its output to a consolidator. The third option was for the LEG to sell its output to a Supplier in the same GSP Group who would net off that output with its demand thereby reducing NGC transmission charges. The fourth option was for the LEG to split its output into predictable and unpredictable output that could then be sold to different Suppliers or consolidators. This option of splitting output into predictable and unpredictable output became known as 'Option 4' and was endorsed in section 7.5 of the Ofgem/DTI Conclusions Document on NETA, published in October 1999. However, full implementation of 'Option 4' was not possible before NETA Go-Live.

The DTI's Consolidation Working Group (CWG) considered that 'Option 4' would be a useful measure which would provide greater flexibility for LEGs to sell their output in the market. The CWG is keen to see the measures outlined in 'Option 4' in place by 1 April 2002 in time for the effective date of the Non-Fossil Fuel Purchasing Agency (NFPA) contracts. It identified four possible implementation options for 'Option 4':

- Method (a) - Split and allocate metered volumes at meter/outstations;
- Method (b) - Split and allocate metered volumes at Data Collector;
- Method (c) - Split and allocate metered volumes at Data Aggregator; and
- Method (d) - Split and allocate metered volumes at Supplier Volume Allocation Agent.

The CWG favoured the second of these options, Method (b), as the process would involve Accredited Half Hourly Data Collectors (HHDCs) operating to BSCP550 'Shared SVA Meter Arrangement of Half Hourly Import and Export Active Energy' (BSCP550), could be implemented by 1 April 2002, would be auditable and would have little impact on other systems. There would be no impact on core Systems but there would be an impact on the core process of re-certification. The other three options were not favoured as they would all either be difficult to audit, involve significant changes to agent or core systems and would not be in place by 1 April 2002. Implementation of 'Option 4' by splitting and allocating metered volumes at the Data Collector is known as 'Option 4b'.

Modification Proposal P67 (P67) was raised by Powergen on 22 January 2002 on behalf of the CWG.

P67 is intended to allow fixed and variable volumes of energy to be traded. Whilst changes to volume trades may be accommodated by use of MVRNs, some participants feel that implementation of 'Option 4b' would give more control to the LEG. P67 proposes changes to the Code to incorporate 'Option 4b', as outlined in the Interim Report to the DTI of the Consolidation Working Group (Reference 1). This would provide an additional mechanism to allow the output of an Exemptable Generating Plant to be split into a fixed amount of energy, which can be sold to one or more Suppliers (Fixed Suppliers), and an unpredictable variable amount of energy, which can be sold to another Supplier (Variable Supplier).

It should be noted that P67 also applies equally to the splitting of demand. Any reference to generation should also be taken to include demand unless the context indicates otherwise. The Demand Side Working Group, instigated by the Authority, is currently identifying and assessing any practical and/or communication obstacles to demand side participation in NETA. A member of this group has confirmed that any flexibility that can be offered which would be of use to the demand side would be welcomed in principle.

Currently the Code allows the output from Exemptable Generating Plant to be split between two Suppliers on the basis of the pre-agreed allocation methods described in BSCP550. P67 would introduce two new allocation methods into BSCP550. It should be noted that this methodology will also be available to all half hourly sites registered in Supplier Volume Allocation (SVA), not just Exemptable Generating Plant. For those HHDCs wishing to use these additional allocation methods, on the 1 April 2002, they will need to have had their processes re-certified. This will require HHDCs to start the re-certification process immediately after P67 is implemented so that re-certification can be completed by 1 April 2002.

Following receipt of P67, the Panel Chairman sought the views of Panel members on whether P67 should be treated as urgent. Following receipt of Panel members' views, (of those who responded to the Panel Chairman, they agreed to recommend that P67 be treated as an Urgent Modification Proposal) the Panel Chairman consulted with the Authority and set out a proposed process and timetable for P67. On 24 January 2002 the Authority responded to the Panel Chairman stating that it had considered the process and the timetable proposed by the BSC Panel in relation to P67 and that the Authority agreed that the timetable and process should be followed. Hence P67 is being treated as an Urgent Modification Proposal in accordance with Code Section F 2.9.

The CWG has issued the 'Report to the DTI of the Consolidation Working Group' (Reference 2), dated February 2002 to the DTI. In summary the report notes that ELEXON and MRASCo have now addressed the mainly technical barriers that prevented the selling of fixed and variable volumes of energy separately from unpredictable sources and that Alternative Modification P7[1], which was recently approved by the Authority, will provide greater choice in striking contracts that will allow greater access to embedded benefits. The report also notes that a number of issues are being pursued by the relevant organisations. The report states that the timescale over which competitive consolidation is likely to emerge is difficult to evaluate but the 1 April 2002 contracting round should demonstrate progress in generators moving business away from local regional supply companies, if they received more competitive offers.

Following publication of the CWG's report, an Authority Press Release noted that "Ofgem's Managing Director, Competition and Trading Arrangements, Eileen Marshall said: *We strongly support the need for smaller generators to have greater flexibility under NETA by being able to sell fixed amounts of electricity and unpredictable output separately. Subject to necessary rule changes, these measures will help small generators and encourage further development of consolidation services.*" (Reference 3).

[1] Modification Proposal P7 'Allocation of Supplier demand to the same BM Unit in a GSP Group for all Suppliers in the same company'.

In response to the consultation and Detailed Level Impact Assessment (DLIA), Section 6 outlines the responses received and Annex 2 contains the actual responses received. Parties were specifically asked to review the proposed legal text and to confirm whether it met the intended requirements of P67. Responses were provided in relation to the questions raised on the legal text included in the consultation. Consequently, the legal text has been amended. Refer to Section 7 for the final legal text.

No new substantive arguments have been raised as a result of the consultation exercises and therefore the Panel recommends the approval of this Urgent Modification Proposal.

1.3 Rationale for Recommendations

Prior to NETA Go-Live 'Option 4' had been identified as providing a means to allow small generators to sell their output, as both fixed and variable amounts, more effectively under NETA. 'Option 4' was not fully implemented in NETA by Go-Live and P67 is intended to correct that situation. Implementing P67 would enable Suppliers (or a generator using the services of a Supplier) to sub-divide its output and would result in the predictable (fixed) output being sold separately from the unpredictable (variable) output. This would enable a Supplier (or generator) to effectively enfranchise their generator in being able to sell fixed volumes of energy. Small generators would be able, therefore to pass on their imbalance risks to other Parties which acted as consolidators which would provide such a service on commercial terms. This will allow consolidation services to develop to the extent envisaged originally under NETA.

The Panel agreed that in the light of the considerations above and taking into account the responses received to the consultation, that P67 would better facilitate achievement of the Applicable BSC Objectives defined in Condition C3 of the Transmission Licence, particularly Condition C3 (c), 'Promoting effective competition in the generation and supply of electricity, and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity'.

The Panel proposes an Implementation Date of 8 March 2002 for P67. The Implementation Date is proposed, on the basis that this is the last date by which Suppliers must apply to the Public Distribution System Operators (PDSO) for the allocation of pseudo Metering System Identifiers (MSIDs). These must be in place to enable those Suppliers wishing to utilise the two additional allocation methods in support of any NFPA or other contracts awarded to them and which become effective on 1 April 2002. The recommended Implementation Date assumes that the relevant changes are incorporated in the MRA to allow multiple pseudo MSIDs to be registered.

2 INTRODUCTION

This Report has been prepared by ELEXON Ltd., on behalf of the Balancing and Settlement Code Panel ('the Panel'), in accordance with the terms of the Balancing and Settlement Code ('Code'). The Code is the legal document containing the rules of the balancing mechanism and imbalance settlement process and related governance provisions. ELEXON is the company that performs the role and functions of the BSCCo, as defined in the Code.

This Modification Report is addressed and furnished to the Gas and Electricity Markets Authority ('the Authority') and none of the facts, opinions or statements contained herein may be relied upon by any other person.

An electronic copy of this document can be found on the BSC website, at www.elexon.co.uk

3 DESCRIPTION OF PROPOSED MODIFICATION

3.1 Background

P67 proposes changes to the Code to incorporate consolidation method 'Option 4b', as outlined in the Interim Report to the DTI of the CWG. This would provide an additional mechanism to allow the output of an Exemptable Generating Plant to be split into a fixed amount of energy, which can be sold to one or more Suppliers (Fixed Supplier(s)), and an unpredictable variable amount of energy, either export or import, which can be sold to a single Supplier (Variable Supplier).

Currently the Code allows the Export from a Site with Exemptable Generating Plant to be shared between two Suppliers, the Primary Supplier and the Secondary Supplier. The Export can be shared in accordance with a pre-agreed allocation method between the two Suppliers. The allocation methods permitted are described in BSCP550.

'Option 4b' uses the principles outlined in BSCP550 and requires the creation of potentially multiple pseudo MSIDs which are associated with each Secondary Supplier involved in the process with the Primary Supplier. Implementing P67 would result in two additional allocation methods being available;

- the Fixed Block Method; and
- the Multiple Fixed Block Method.

The form and method of submission are covered in BSCP550 and are a matter for bilateral agreement between the Primary Supplier and the relevant HHDC. The relevant HHDC will be impacted the most by P67 on the basis that it will be required to allocate the fixed and variable volume to the Primary Supplier and the relevant Secondary Suppliers. Any Party wishing to provide this service would need to appoint an HHDC that was appropriately re-certified and consequently would need to be a Supplier as defined in the Code. Details of accredited Party Agents can be obtained from ELEXON.

P67 would require changes to the Code, a number of Code Subsidiary Documents and other documents including:

Code (see Section 7)

BSC Section J:	Amend to permit more than two Suppliers to share the data from a SVA Metering System and to allow an appropriately re-certified Half Hourly Data Collector to apply the two new allocation methods.
BSC Section K:	Amend to permit more than two Suppliers to share the data (real and virtual) from a SVA Metering System, and to enhance the role of the Primary Supplier.
BSC Annex-S-2:	Amend to permit more than two Suppliers to share the data from a SVA Metering System, and to revise the allocation methods used for data splitting and to clarify the rules relating to the receipt and processing of allocation schedules.
BSC Annex X-1:	Amend definitions of "Allocation Schedule", "Secondary Supplier" and "Shared SVA Meter Arrangement" to allow the concept of two or more Suppliers. In addition introduce a definition for "Relevant Capacity Limit"; that being a limit notified by the Primary Supplier to the Half Hourly Data Collector.

BSC Annex X-2: Amend a number of subscripts ("a", "a1", "a2", "K2" to "Kn", "Z" and "Z2"). Introduce a number of new subscripts ("a1.1", "an.1", "K1.1", "Kn.1").

BSC Annex X-6: Amend definitions of "Consumption Component Class", Primary Supplier's Metering System Metered Consumption", "Dual Suppliers' Metering System Metered Consumption" and "Secondary Supplier's Metering System Metered Consumption" to allow more than two Suppliers to share the data.

BSC Annex X-7: Amend five acronyms ("$PSMMC_{Z1a1K1j}$", "$PSMMC_{Z1a1.1K1.1j}$", "$SHSMMC_{ZaKj}$", "$SSMMC_{ZnanKnj}$" and "$SSMMC_{Znan.1Kn.1j}$").

Code Subsidiary Documents

BSCP531 'Accreditation'.

BSCP550 'Shared SVA Meter Arrangement of Half Hourly Import and Export Active Energy'.

PSL110 'Meter Operation'.

PSL130 'Half Hourly Data Collection'.

Other Documents

MRA change to allow multiple pseudo MSIDs;

Self Accreditation Certification Return (SACR) and associated Guidance Notes.

The changes to the Code Subsidiary Documents have undergone a DLIA and were presented, ex-committee to the Supplier Volume Allocation Group (SVG) (for BSCP550, PSL110 and PSL130) or the Performance Assurance Board (PAB) (for BSCP531) for approval. The results of the Committee decisions are included in Section 4.5 and 4.6 respectively.

Any changes to BSCP512 'Entry Process – Supplier' are considered to be out of scope for P67 as the current Shared SVA Meter Arrangements do not currently form part of Supplier Entry Processes and no changes are proposed to this BSCP.

~~1.2~~3.2 Current Scope of Shared SVA Meter Arrangements

The Shared SVA Meter Arrangements currently allow two Suppliers to share the energy (either demand or generation) metered at a site. The sharing of the energy is carried out by the HHDC who apportions energy to the two Suppliers according to a pre-notified Allocation Schedule through the use of an additional pseudo MSID in conjunction with the original MSID of the Primary Supplier. The two methods currently allowed are the Percentage Method and the Block Method.

The Percentage Method allows two Suppliers, a Primary and Secondary Supplier, to split Active Energy on a percentage basis for each Settlement Period. The Primary Supplier's volume is calculated taking the Percentage as nominated in the Allocation Schedule for the relevant Settlement Period. The Secondary Supplier's volume is calculated by allocating the difference between the actual energy metered at the site and the Primary Supplier's volume.

The Block Method allows two Suppliers, a Primary and Secondary Supplier, to split Active Energy on a capped block basis. The Primary Supplier nominates a fixed amount of kWhs and the Secondary Supplier is allocated the remainder. In circumstances where the Primary Supplier nominates an amount greater than the actual Active Import or Export Energy in a given Settlement Period zero Active Energy is allocated to the Secondary Supplier and the Primary Supplier is allocated the actual Active Import or Export Energy

for that Settlement Period.

~~1.3~~3.3 Modification Proposal Changes to Shared SVA Meter Arrangements

P67 envisages two additional methods, the Fixed Block Method and the Multiple Fixed Block Method. The Block Method will be renamed the Capped Block Method.

The Fixed Block Method allows two Suppliers, a Primary and Secondary Supplier, to split Active Energy with one Supplier (Fixed Supplier) nominating a fixed amount of Active Energy and the other Supplier (Variable Supplier) being allocated the variable amount in a Settlement Period. Either the Primary or Secondary Supplier can be nominated as taking the fixed or variable amount.

Where the fixed amount of Active Energy is greater than the actual Active Energy the variable amount will be allocated to the Supplier taking the variable amount. Where there is a variance then this variance will be recorded as either an import or export against the Supplier taking the variable amount.

The Fixed Block Method Allocation Schedule will be deemed to be invalid if Import or Export blocks of Active Energy allocated to the Supplier taking the fixed amount are greater than the generation or demand capacity, as appropriate.

The Multiple Fixed Block Method allows more than two Suppliers, a Primary and one or more Secondary Suppliers to split Active Energy. Under the Multiple Fixed Block Method there will be several Suppliers taking fixed amounts of Active Energy (Fixed Supplier(s)) and one Supplier taking the variable amount (Variable Supplier).

Where the sum of the fixed amounts of Active Import or Export Energy is greater than the actual Active Energy the variable amount will be allocated to the Supplier taking the variable amount. Where there is a variance then this variance will be recorded as either an import or export against the Supplier taking the variable amount.

The Multiple Fixed Block Method Allocation Schedule will be deemed to be invalid if Import or Export blocks of Active Energy allocated to the Suppliers taking the fixed amounts is greater than the generation or demand capacity, as appropriate.

The additional two methods being developed for Shared SVA Meter Arrangements can create virtual energy. As a result the PDSO will receive both the raw meter data and the post split data to avoid Distribution Use of System (DUoS) charging on the virtual energy. Another approach may be for the PDSO to allocate a specific LLFC which has a zero charge though this is not part of P67.

The requirements for both the new and the existing Allocation Methods will be included in the legal text for the Code. The Code will also require that Allocation Schedules must be submitted by Gate Closure but that in the event of an Allocation Schedule failing validation only the post Gate Closure elements will be rejected. In this case the default arrangements defined in BSCP 550 will come into effect.

~~1.4~~3.4 Alternative Modification

No Alternative Modification was identified by the P67 Modification Group (the Group).

~~1.5~~3.5 Other Processes

The change to the Shared SVA Meter Arrangements proposed by P67 mirrors Active Energy sharing arrangements already available for sites operating in Central Volume Allocation (CVA). For sites in CVA, MVRNs can be used to transfer percentages or fixed blocks of Active Energy from a Balancing Mechanism (BM) Unit that would normally be allocated to the energy account of the Lead Party to the energy accounts of other Parties. Any number of bilateral MVRNs can be set up at a BM Unit.

Where the total volume of fixed blocks exceeds the actual Active Energy, the remainder will be a negative quantity. The CVA processes are able to accommodate this negative quantity without further manipulation.

The Authority's approval of P7 Alternative has improved the ability of a site registered in SVA to access these arrangements whilst at the same time retaining embedded benefits.

~~1.6~~3.6 Pre Implementation Operational Activities

The Certification Agent has confirmed that there would be an initial set-up cost of £2000 for re-certification of the new processes to be introduced as a consequence of P67.

~~1.7~~3.7 Post Implementation Operational Activities

ELEXON will continue to manage the re-certification process in liaison with the Certification Agent and they will also continue to be responsible for issuing invoices to those Half Hourly Data Collectors seeking re-certification. There will be a cost of £8000 for the re-certification of each Party Agent's new processes. Operational costs will be charged to the relevant HHDC incurring them.

4 DETAIL OF PROCEDURE AND TIMETABLE FOLLOWED

4.1 Statement of Urgency

The CWG, the DTI and the Authority are keen to see the measures outlined in Option 4b, as set out in the Interim Report to the DTI of the Consolidation Working Group and the Report to the DTI of the Consolidation Working Group, in place by 1 April 2002 in time for the next effective date of the NFPA contracts. Auctions of energy by the NFPA took place in January 2002 with many of the contracts commencing on 1 April 2002 (Reference 4). The urgent treatment of P67 would, therefore, allow those Suppliers who have been successful with their NFPA bids to register the relevant Metering Systems in the relevant Supplier Meter Registration Service (SMRS) for trading purposes with effect from 1 April 2002. For these reasons, P67 is being treated as an Urgent Modification Proposal.

~~1.2~~4.2 Procedure and Timetable

P67 was assessed by the Group, established for the purpose, at a meeting held on 30 January 2002. The members of the Group and attendees at the meeting on 30 January 2002 are shown in Annex 3. The Group consisted of a number of members of the CWG and the Group considering Modification Proposal P55 'BSC Conflicts with Consolidation of Embedded Generation in CVA'.

The Group considered a number of issues that were raised by various Group members. Although no member of a PDSO was present (although a number of PDSO representatives had been invited), the Group did recognise that the implementation of P67 would impact on the operation of PDSOs. The Group agreed that the consultation should include questions relating to this specific matter.

The Group considered a draft Urgent Modification Report, a draft Requirements Specification and also a Consultation paper and associated questionnaire, which were subsequently amended following the meeting and issued for further review to the Group members. In response to this further review, two Group members raised a number of issues relating to the impact on the PDSO and DUoS charging. These issues albeit valid did not prevent the consultation and DLIA proceeding as the questions in the consultation raised these issues for consideration by Parties and Party Agents.

On 1 February 2002 the Group initiated a consultation on the issues arising from P67, with responses due by 7 February 2002. For the consultation, Parties were sent a:

- Consultation paper and questionnaire;
- Requirements Specification; and
- draft Urgent Modification Report (including draft legal text).

Copies of all these documents can be found on the ELEXON website at www.elexon.co.uk.

HHDCs were specifically asked as part of the consultation whether they wished to provide the new service proposed by P67 to take effect on 1 April 2002.

At the same time as the consultation was carried out, the Group also initiated a DLIA by Parties and Party Agents. The changes to the Code Subsidiary Documents and other documents (ie. the SACR and its Guidance Notes) were issued in addition to those documents issued for the consultation.

The responses to the consultation and DLIA are summarised in Section 6 of this document; copies of the detailed responses are shown in Annex 2 of this document.

It should be noted that the consultation specifically requested responses on several issues raised by Panel members. These were the potential take up of the new processes by Suppliers and their associated HHDCs, the cost benefit of the proposal, the possible impact on PDSOs and SMRSs and the availability of P67 for the demand side. The responses on these issues are summarised in Section 6 of this document.

The Group recognised that for implementation of P67 it was essential for the MRA to be changed to allow for multiple pseudo MSIDs. An MRA Change Proposal was raised by ELEXON under the emergency procedure described in MRA paragraph 9.26. MEC agreed on 29 January 2002 to proceed with MRA CP99 'Removal of the restriction to allow only ONE associated Pseudo Metering Point' to address the P67 requirements. It is envisaged that the necessary change to the MRA will be implemented by 8 March 2002. The outcome of the emergency MRA Development Board (MDB) is included in Section 4.4.

Approval of the changes to Code Subsidiary Documents required for P67 has been progressed via the SVG and PAB. The outcomes of the SVG and PAB decisions are included in Section 4.5 and 4.6 respectively.

The draft Urgent Modification Report was amended to take account of the consultation responses and presented to the Panel meeting on 14 February 2002.

~~1.3~~4.3 Dependencies

The Implementation Date of 8 March 2002 for the changes to the Code is dependent on the implementation of relevant changes to the MRA to allow the registration of multiple pseudo MSIDs.

The ability of a Supplier to operate the new Allocation Schedules which are proposed with effect from 1 April 2002, the effective date for the NFPA contracts, is dependent on the Code and MRA changes being implemented on 8 March 2002, the Supplier requesting pseudo MSIDs from the relevant PDSO and registering those MSIDs in the relevant SMRS, and on that Supplier contracting with an HHDC which has obtained re-certification of its processes to operate one of the new Allocation Schedules.

~~1.4~~4.4 MRA Development Board Decision

On 15 February 2002 there was an emergency meeting of the MDB to review the responses to MRA CP99 and to determine whether or not MRA CP99 should be approved with the proposed Implementation Date of 8 March 2002.

As an MRA signatory, ELEXON attended this meeting. There were 29 responses received to MRA CP99, of which:

- 5 distributors and 2 Suppliers rejected the solution to MRA CP99;
- 5 distributors and 13 Suppliers and ELEXON supported MRA CP99; and
- 3 representations provided a 'no impact / no interest' return.

ELEXON presented a revision to the attachment to MRA CP99 at the meeting, which included the Panel agreed requirement to set a flexible limit (as described in Section 5) on the number of pseudo MSIDs. The MDB discussed the revised attachment to MRA CP99. In addition MDB assessed all of the responses received to the original MRA CP99. Having taken due account of the comments received and the proposed revision to MRA CP99, the MDB members approved the revised MRA CP99 and the Implementation Date of 8 March 2002 on the basis that:

- The Authority approved P67 for implementation (including the flexible limit concept); and
- Minor enhancements would be incorporated within BSCP550 in support of PDSOs' activities, relating to;
  - the provision of raw meter data from the HHDC to the PDSO;
  - the PDSO being notified that a Shared SVA Meter Arrangement was being initiated and therefore pseudo MSID(s) would be requested from the Primary Supplier; and
  - inclusion of the flexible limit (as described in Section 5).

The MDB members agreed that a new Meter Timeswitch Code (MTC) should be introduced (into Market Domain Data for use in SMRS) post implementation of P67, which would allow the easy identification of those pseudo MSIDs utilised in this revised Shared SVA Meter Arrangement and could also be used to prevent erroneous DUoS billing. ELEXON and MRASCo agreed to process this request.

The responses to MRA CP99 together with the minutes produced from the MDB meeting were made available to MRA signatories and were open to the MRA appeals process following the issuing of such minutes.

4.5 Supplier Volume Allocation Group Decision

On the basis that a number of Code Subsidiary Documents (ie. BSC550, PSL110 and PSL 130) had been changed in support of P67, these were presented to SVG ex-committee for decision on 8 February 2002 (SVG/12/153) (reference 5). The responses to this paper were requested by close of play on 14 February 2002.

5 responses were received to this SVG paper of which:

- 2 responses rejected the changes incorporated within the relevant Code Subsidiary Documents;
- 1 response was supportive of the changes incorporated within the relevant Code Subsidiary Documents; and
- 2 responses related to the process adopted for progressing P67.

On the basis that the responses received had not been unanimous a special meeting of the SVG was held on 18 February 2002.

The purpose of this special SVG meeting was to notify them of the outcome of the MDB, address the issues raised by SVG members and to agree any further, non-principle, changes to any of the Code Subsidiary Documents.

The issues raised by the respective SVG members were addressed during the SVG meeting and consequently a number of changes were agreed for incorporation within BSCP550 and PSL130. The SVG were unanimous in their approval of the revised Code Subsidiary Documents, subject to the Authority approving P67. Minutes (reference 6) from the special SVG meeting were published subsequent to the meeting.

4.6 Performance Assurance Board Decision

On the basis that BSCP531 'Accreditation' had been changed in support of P67, this was presented to PAB ex-committee for decision on 8 February 2002 (PAB12/153) (reference 7). The responses to this paper were requested by close of play on 14 February 2002.

3 responses were received to this PAB paper of which all were supportive of the changes incorporated within BSCP531. On the basis that no rejections were received, the PAB were unanimous in their approval, subject to the Authority approving P67.

5 RATIONALE FOR PANEL RECOMMENDATIONS

Prior to NETA Go-Live 'Option 4b' had been identified as providing a means that would allow small generators to sell their output more effectively under NETA because it would enable fixed amounts to be sold separately from variable amounts. 'Option 4b' was not fully implemented in NETA by Go-Live and P67 is intended to correct that situation. By giving small generators the ability to sell the predictable amount of their output to one or more Suppliers or consolidators, they will effectively be enabled to sell fixed amounts of energy. They would be able, therefore to pass on their imbalance risks. This will allow consolidation services to develop to the extent envisaged originally under NETA.

The Panel meeting on 14 February 2002 was presented with the draft Urgent Modification Report. The Panel:

1. Were advised that a number of consultation, DLIA and MRA responses had rejected P67 (and MRA CP99) on the basis that there was no limit on the number of MSIDs which could participate in the revised Shared SVA Meter Arrangement. ELEXON advised the Panel that a means of addressing this issue was to introduce a flexible limit on the number of MSIDs and hence the number of Suppliers, for each Shared SVA Meter Arrangement, and that this flexible limit could be increased if those participants (Suppliers, PDSOs, SMRSs, HHDC and the Meter Operator Agent) choosing to utilise the revised Shared SVA Meter Arrangement were able to do so without compromising the processes and timescales described in BSCP550. The Panel were requested to agree that a limit of 9 MSIDs (1 actual and 8 pseudo) be introduced. The Panel supported this requirement on the basis:

   - of the feedback received to the P67 consultation;
   - of the feedback received to the P67 DLIA;
   - of the responses provided to MRA CP99;
   - that it addressed the concern of PDSOs in relation to an unlimited number of MSIDs; and
   - that in practical terms the Panel and a number of industry participants had confirmed that the take up of the revised Shared SVA Meter Arrangement would likely to be in single numbers.

2. Discussed the option of limiting the number of revised Shared SVA Meter Arrangements that could exist at each Grid Supply Point (GSP) Group (with a maximum of twenty suggested), although this had not been included in the P67 requirements. The Panel agreed that no such limit should be imposed on the basis that it was for the market to determine the use of the revised Shared SVA Meter Arrangements.

3. Agreed that P67 should apply equally to generation and demand. The Panel noted that it was likely that there would be a small steady uptake of the revised Shared SVA Meter Arrangements on both the demand and generation side and that it was likely that there would be a higher uptake on the generation rather than the demand side.

4. Noted the concerns that had been raised on the timetable (in particular some objections had been received to this short timetable) during the P67 consultation and DLIA and in response to MRA CP99, particularly from those who would be impacted e.g. PDSOs (who may therefore require changes to their systems or processes to be in place for the Implementation Date of 8 March 2002). The Panel supported the proposed Implementation Date and agreed that it was a matter for the Authority to determine whether or not the Implementation Date should remain as 8 March 2002.

5. Noted that there was a dependency on the changes to the MRA being approved and implemented. ELEXON advised the Panel that an emergency MDB meeting was being held on 15 February 2002 to review the results of the responses to MRA CP99 and to determine whether or not to approve this change. The Panel noted that ELEXON was attending this meeting, that any negative outcome should be reported to the Panel for consideration, that the Authority note that a dependency existed and that any conflicts that may arise were a matter for the Authority to address.

6. Noted that PDSOs would be required to continue to provide accurate DUoS billing in line with their licence conditions and therefore there was the requirement to obtain suitable data from the HHDCs.

7. In view of the short timescale allowed to process P67 through the Urgent Modification Procedure, the Panel expressed a concern about the marginal benefits in terms of the Code that would be obtained and requested that the Authority take proper account of the potential problems which had yet to be fully explored because of the compressed timescale.

8. Noted that some responses to the consultation stated that Alternative Modification P7 would deliver some of the consolidator requirements though it was agreed that this was not a replacement for P67.

9. Noted that in response to the changes incorporated in the Code Subsidiary Documents that the final results from SVG and PAB would not be available until close of play on 14 February 2002. The Panel therefore noted the results that were presented:

    - 2 rejections and 1 acceptance had been received from SVG members; and
    - 3 acceptances had been received from PAB members (there were no rejections).

The Panel and the Authority noted that any PDSO impacted by the revised Shared SVA Meter Arrangement would need to have processes in place to prevent erroneous DUoS billing for the virtual energy. This additional workload together with maintaining the relationships between the MSIDs would have associated costs. It was noted that the Authority would allow PDSOs to recover reasonable costs if P67 were approved for implementation.

Following full consideration of the above issues and concerns, the Panel:

- NOTED the responses received to the consultation on the draft Urgent Modification Report;
- CONFIRMED the recommendation to the Authority that P67 should be approved;
- AGREED the Implementation Date of 8 March 2002;
- APPROVED the proposed text for modifying the Code, including the additional requirement to add in a hook into BSCP550 to introduce a flexible limit on the number of MSIDs participating in the revised Shared SVA Meter Arrangement. Consequently the legal text which was presented to the Panel has been modified to allow for this requirement;
- APPROVED the draft Urgent Modification Report and requested that the concerns identified by the Panel be included in the final Modification Report to be sent to the Authority for determination.

The Panel therefore concluded that P67 would better facilitate achievement of the Applicable BSC Objectives defined in Condition C3 of the Transmission Licence, particularly Condition C3 (c), Promoting effective competition in the generation and supply of electricity, and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity'.

6 SUMMARY OF REPRESENTATIONS

This section summarises the responses to the consultation and DLIA. Copies of the responses are shown in Annex 2.

~~1.1~~6.1 Summary of Consultation Responses

A questionnaire was produced which was used in the consultation and DLIA. This questionnaire consisted of eleven questions. The text below highlights the results of the consultation in relation to each question raised.

A total of 15 responses were received representing the views of 56 Parties and 1 non-party and are reproduced in Annex 2.

Q1: Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?

12 responses (representing 48 Parties and 1 non-party) agreed with the principles of P67 whilst 3 responses (representing 8 Parties) did not, or could be interpreted as not. 2 responses questioned whether P67 would allow any further commercial value to be realised for embedded generators' energy. 2 responses (representing 23 Parties) suggested that the use of MVRNs already allowed the functionality to be realised without the significant impact on PDSO and SMRSs, particularly in the light of the Authority's recent decision on P7.

Q2: Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?

11 responses (representing 27 Parties and 1 non-party) felt that P67 better achieved the applicable BSC Objectives with the majority citing Objective c, the promotion of effective competition in the generation and supply of electricity. 4 responses (representing 29 Parties) did not believe that P67 better met the BSC Objectives, with some noting that alternative routes already exist under the Code.

Q3: Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?

8 responses (representing 25 Parties) believed that P67 was the most cost effective way of implementing Option 4b and 3 responses (representing 24 Parties) disagreed with this. The commonest reason being that the costs involved were not acceptable given the current availability of the functionality available through the Code.

Q4: The solution developed for P67 applies to both generation and demand. Do you agree with this approach?

The majority of responses (10, representing 41 Parties and 1 non-party) believed that P67 should be equally available to demand and generation. 2 responses (representing 8 Parties) believed that P67 should be limited to generation as the impacts of P67 on PDSOs and SMRSs would be less significant than if P67 introduced the facility to demand.

Q5a: If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?

There were only 2 clear responses (representing 8 Parties) that stated that they would make use of the functionality. Similarly, 2 clear responses (representing 23 Parties) stated that they would not use the P67 functionality. Three responses were uncertain as to whether or not they would use the P67 functionality.

Q5b: If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?

The question regarding the likely number of sites to be affected produced no clear picture. No respondent provided a figure.

Q6: If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?

The question directed at PDSOs drew 5 responses and highlighted a number of issues although one response had noted no problems in the timescales available to assess issues. A response indicated that any such problems might be less significant if P67 only affected generation. The reliance on manual processes to track the association between MSIDs relating to the same Metering System was noted. If P67 were to affect only a small number of sites, responses indicated that the manual processes would be adequate. However, if a significant number of sites were involved, responses indicated that the manual processes would not be adequate.

The ability to differentiate between virtual and real energy was noted. A variety of options were proposed as a possible means of carrying this out with the potential for changes to the Distribution Connection Agreements, DUoS Agreements and Condition 4 of the DUoS Charging Statement as a result. It was indicated that this latter change could potentially require a 5 month implementation timescale and would significantly impact the ability of P67 to be implemented in the timescales envisaged.

It was noted that there are no plans to split reactive data and that this could impact the Primary Supplier.

One PDSO noted that their DUoS billing system was driven off LLFCs. Creating new MSIDs might require the creation of further LLFCs. BSCP 528 requires a 40 working day lead time for this process. This would also impact on the implementation of P67 if included within its scope.

Q7: If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?

Three of the four responses to the SMRS related question noted concern over the reliance on a manual process to track the association between MSIDs, particularly if a large number of sites were involved.

Q8: Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.

4 responses (representing 16 Parties) stated a clear preference that there should be no cap on the number of Suppliers that could participate in the Multiple Fixed Block Method. 2 responses (representing 6 Parties) expressed a preference for a limit of 2 i.e. keeping the number as currently defined, although one suggested that this might be an interim measure until experience had been gained with the methodology. Other limits ranged between 4 and 10.

Q9: What is the potential material benefit of implementing P67:

- *on your organisation?*
- *to the industry?*

A total of 10 responses (representing 43 Parties) were unable to establish a benefit to their organisations whilst 2 (representing 1 Party and 1 non-party) believed that there would be benefits for them. 6 responses (representing 15 Parties) identified potential benefits for the wider industry or particular classes of generation e.g. wind generation.

Q10: If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?

As regards the impact of P67 on their organisations, 5 responses (representing 20 Parties) believed that there would be little impact as the changes would be optional although the short timescales had meant that they could not carry out a thorough review of the proposed changes or the impact on their organisations. However, the remainder (9 responses representing 36 Parties) of the responses noted a range of impacts. Some Suppliers believed that they might need to enhance billing validation software to ensure that they were not incorrectly billed for DUoS on virtual energy whilst PDSOs noted significant changes (identified in Q6). Timescales varied with the most extreme being unable to implement until no earlier than August 2002. The only responses to estimate the financial impact noted a range of costs for systems changes between a few £10ks, if P67 was limited to a small number of generation sites, to £ms if the proposal was broadened to include a large number of demand sites. Costs for amending DUoS Agreements and Condition 4 statements could be in the range £10ks to £100ks depending on the materiality of the changes.

In response to an earlier question, 1 response had indicated that the systems and process costs might be prohibitive for those wishing to utilise P67 whilst another response noted that the costs of setting up an accredited Supplier hub to carry out the process envisaged under P67 could be £55k.

Q11: Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?

Items raised in individual responses not already covered include the following:

- The potential impact on the Authority's own processes for administering Levy Exemption Certificates (LECs) and Renewable Obligation Certificates (ROCs). It was believed that it would be inappropriate to issue either certificate against virtual energy. If the Authority's systems were unable to identify virtual energy in a timely fashion it was envisaged that there was the risk that Suppliers might purchase energy, believing it to be associated with a LEC or ROC, but subsequently find out that the LEC or ROC had been revoked or not issued. This risk might affect the price that Suppliers would be prepared to pay for LECs and ROCs.
- P67 should be limited to GSP Groups, which it is.
- Further reform to the Trading Arrangements is required and that P67 in itself would not deliver the required benefits to embedded generators.

6.2 Summary of Detailed Level Impact Assessments

The purpose of the DLIA was to establish what impact (costs and timescales), if any, there was on Parties and Party Agents, if P67 were to be implemented.

Eleven responses were received in response to the DLIA, representing the views of Parties and Party Agents. Of these:

- 4 responses provided an outright agreement to P67;
- 2 responses provided a caveated support for P67;
- 3 responses indicated that there was no impact on their organisation; and
- the remaining 2 responses were non-committal as to whether or not they supported P67.

Three responses were received in relation to costs. Of these, one response indicated that there would be an initial set up cost of £50,000 and an additional annual running cost (dependent on the number of sites involved and the Suppliers participating), another response provided a high level estimate that costs (IT development and implementation) would be in the region of £30,000. The final response indicated that the cost of creating the pseudo MSID would be in the region of £1,200 per site (with similar costs applying for each further pseudo MSID adding to an existing set).

Three responses were received in relation to the timescale required to develop any changes in support of P67, with the maximum timescale quoted as 6 months.

The key points being highlighted in the DLIA responses were:

1. that although there would be an impact on the PDSOs, P67 is of no material benefit to them, particularly as costs may be incurred in maintaining the MSIDs and the relationships between them. It was suggested that the PDSO pass on any charges to the participating Suppliers (as 'exempt charges') as a means of covering any costs that may arise. In addition as a result of the PDSOs being impacted, the following issues have been raised:
    - the ability to identify the difference between the virtual and actual energy for the DUoS capacity charge and in addition to know a site's true demand (so that load on the network is managed safely);
    - the potential impact on the DUoS Agreements and Condition 4 DUoS Charging Statements;
    - the application of Line Loss Factors (and their associated Classes); and
    - the impact of transfers between Central Volume Allocation and Supplier Volume Allocation.
2. that there would be an impact on SMRS and the process would be manually intensive on the basis that the SMRS would be required to identify the relationship between multiple pseudo MSIDs. It was suggested that a new MTC could be used to identify related MSIDs.
3. there would only be an impact on Half Hourly Data Collectors and Suppliers if they choose to implement the revised Shared SVA Meter Arrangements.
4. there was a range of views relating to whether or not the Multiple Fixed Block Method should be limited to a number of Secondary Suppliers (and pseudo MSIDs). The potential solutions suggested were to set an initial limit followed by an enduring limit or alternatively to set a permanent single number limit. Other responses indicated that setting a limit would be anti-competitive.

5. there was some support for applying the meter splitting to the demand side.

6. MVRNs offered an alternative means of making complex volume reallocations between multiple parties and do not discriminate between generation and demand and are therefore an alternative to P67. The Authority's decision to accept the P7 Alternative allows embedded benefits to be realised more easily.

6.3 Conclusions from the Consultation and Detailed Level Impact Assessments

The majority of the responses to the consultation and DLIA confirmed issues that had been considered by the Group.

Indications from the consultation were that take-up of the facilities envisaged by P67 will be low.

The consultation and DLIA had provided insufficient details to allow the Group to carry out a full cost benefit analysis.

As expected, the impact on PDSOs and SMRSs could be significant although if take-up were low then responses suggest that existing processes might be adequate.

Whilst a majority of responses indicated that the facility should be equally available to demand and generation, limiting it to generation would further reduce the impact on PDSOs and SMRSs.

7 LEGAL TEXT TO GIVE EFFECT TO THE PROPOSED MODIFICATION

Following the consultation, the legal text included in the previous version of the draft Urgent Modification Report has been modified as follows:

- Paragraph 2.5.9 (c) (ii) of Section K has been modified so that of the two options proposed in the consultation, the first option is now included in the updated legal text (on the basis that this ensures that the Primary Metering System Number never changes, irrespective of how many Suppliers take responsibility for it over time).

- All text which was included in square brackets [] has been removed on the basis that no adverse comments have been provided by Parties on the text proposed.

- Following the Panel meeting on 14 February 2002 and on the advice of ELEXON's external legal advisors, three further minor changes have been incorporated in the legal text as follows:

  - a minor grammatical change has been made to replace all occurrences of the phrase 'by Gate Closure' with 'no later than Gate Closure';

  - the numbering in Section K,2.5.4(c) has been corrected; and

  - an incorrect double reference to 'where' has been removed from Annex S-2, 3.3.4 (d) (iii).

7.1 Conformed Version

This legal text (changes identified in bold and italics and strike through) is drafted on the basis that P67 will precede any other pending Modification Proposals that may require changes to the provisions modified by P67.

Section J

The following paragraphs of Section J shall be amended as indicated:

2.4.2 Without prejudice to the generality of paragraph 2.4.1:

(a) an Accredited Data Aggregator which is to start aggregating energy values per Supplier BM Unit in accordance with paragraph 3.6 of Annex S-2; or

(b) an Accredited Data Collector or Accredited Data Aggregator which is to start collecting or aggregating data in the circumstances where paragraphs 3.3.4 and 3.5.5, respectively, of Annex S-2 apply***; or***

(c) an Accredited Data Collector which is to start collecting data in the circumstances where there is a variable supplier as referred to in paragraph 3.5.5 of Annex S-2,

shall be Accredited and its Agency Systems Certified in respect of those functions before starting to do so.

…

4.1.4 In respect of a Shared SVA Metering System, where the same SVA Metering Equipment measures Export Active Energy in respect of supplies to two ***or more*** Suppliers or Import Active Energy in respect of supplies by two ***or more*** Suppliers (as the case may be):

(a) the Primary Supplier shall:

(i) nominate a Meter Operator Agent and a Data Collector for that Shared SVA Metering System and inform the Secondary Supplier***(s)*** of that nomination; ***and***

(ii) ***ensure that the nominated Data Collector is provided with the Allocation Schedule for that Shared SVA Metering System in accordance with BSCP 550;***

(b) ***all~~both~~*** such Suppliers shall:

(i) secure that the nominated Meter Operator Agent and Data Collector is appointed for that Shared SVA Metering System notwithstanding that the Metering System may have more than one SVA Metering System Number for the purposes of registration in SMRS;

(ii) arrange for the Primary Supplier to notify the nominated Meter Operator Agent and Data Collector of those SVA Metering System Numbers before their respective appointments as Party Agents come into effect;

(iii) notify the nominated Meter Operator Agent of its appointment and the nominated Data Collector of its appointment at least five Business Days before such appointment is to come into effect and (if practicable) give them at least five Business Days' notice of the termination of their respective appointments; and

~~***(iv) ensure that the nominated Data Collector is provided with the Allocation Schedule for that Shared SVA Metering System in accordance with BSCP 550;***~~

(c) each such Supplier shall appoint a Data Aggregator of its choice provided that the Primary Supplier shall in respect of any particular period appoint its Data Aggregator against its related SVA Metering System Number***(s)*** and the Secondary Supplier***(s)*** shall appoint ***their ~~its~~*** Data Aggregator***s*** against ***their~~its~~*** related SVA Metering System Number***(s)*** for such Shared SVA Metering System.

4.1.5 Where the same SVA Metering Equipment at a Third Party Generating Plant measures both Import Active Energy and Export Active Energy:

(a) the Supplier (or, in the case of a Shared SVA Metering System, the Primary Supplier) which is taking the Export Active Energy shall secure that the same Meter Operator Agent is appointed in respect of the measurement of Export Active Energy as has been appointed in respect of the measurement of Import Active Energy; and

(b) the Supplier ***(or, in the case of a Shared SVA Metering System, the Primary Supplier)*** which is supplying the Import Active Energy shall provide the Party (or Primary Supplier, as the case may be) which is taking the Export Active Energy with details of the Meter Operator Agent appointed in respect of the measurement of Import Active Energy,

in accordance with BSCP 550.

4.1.6 Where an Outstation or Outstations associated with a SVA Metering System at a Third Party Generating Plant is being used for the purposes of transferring data relating to both Import Active Energy and Export Active Energy:

(a) the Supplier (or, in the case of a Shared SVA Metering System, the Primary Supplier) which is taking the Export Active Energy shall, subject to paragraph (c)) secure that the same Data Collector is appointed as is appointed to collect Import Active Energy from such Outstation;

(b) the Supplier ***(or, in the case of a Shared SVA Metering System, the Primary Supplier)*** which is supplying the Import Active Energy shall provide the Party (or Primary Supplier, as the case may be) which is taking the Export Active Energy with details of the Data Collector appointed in respect of the collection of data relating to Import Active Energy; and

(c) both Suppliers shall ensure that the Data Collector so appointed is appropriately Accredited.

Section K

The following paragraphs of Section K shall be amended as indicated:

2.5 Shared SVA Meter Arrangements

2.5.1 Subject to and in accordance with this paragraph 2.5 and the further provisions of the Code, two ***or more*** Suppliers may make an arrangement (a "**Shared SVA Meter Arrangement**") under which there is a single SVA Metering System for Exports or Imports (from or to the same Plant and Apparatus) for which the two ***or more*** Suppliers are responsible.

2.5.2 A Shared SVA Meter Arrangement may be made only:

(a) in relation to a SVA Metering System comprising Half Hourly Metering Equipment; and

(b) in relation to Exports or (as the case may be) Imports for which the two ***or more*** Suppliers are responsible (and not in relation to a combination of Exports and Imports ***but without prejudice to paragraph 2.5.4(c)(ii)); and***

(c) between no more than the maximum number of Suppliers in relation to a SVA Metering System as may from time to time be determined and published by BSCCo in accordance with the procedures set out in BSCP 550 (and, where a maximum number is so specified, references in the Code to two or more Suppliers under a Shared SVA Meter Arrangement are subject to such maximum limit).

2.5.3 A Shared SVA Meter Arrangement shall be made, and related information submitted, maintained and updated, in accordance with and subject to the provisions of BSCP 550.

2.5.4 Where ~~***two***~~ Suppliers make a Shared SVA Meter Arrangement:

(a) the Suppliers shall ensure that each is informed of ***each~~the~~*** other's identity by the SVA Customer or (as the case may be) SVA Generator;

(b) the Suppliers shall agree which of them is to act as primary Supplier for the purposes of the Code, failing which the Panel shall nominate one of them to act as primary Supplier;

(c) each Supplier shall:

(i) register the Shared SVA Metering System in the SMRS with a different SVA Metering System Number, for which each Supplier shall be respectively responsible;

(ii) where the Supplier is the variable supplier as referred to in paragraph 3.5.5 of Annex S-2, register the Shared SVA Metering System in the SMRS with two different SVA Metering System Numbers (one classed as import and the other as export in accordance with BSCP 550), for which such Supplier is responsible;

(ii***i***) inform the SMRA if at any time it ceases to be responsible for the Shared SVA Metering System, provided that:

(1) ***all~~both~~*** such Suppliers may not cease to be so responsible at the same time unless the relevant SVA Metering System is disconnected at that time or another Supplier or Suppliers assume responsibility for that Metering System in accordance with the provisions of the Code with effect from the time when ***all~~both~~*** such Suppliers cease to be so responsible; and

(2) where a Supplier ceases to be so responsible as a result of another Supplier assuming such responsibility, that other Supplier (rather than the Supplier ceasing to be so responsible) shall inform the SMRA;

(iv***~~ii~~***) maintain and update the information in that SMRS for which it is responsible;

(d) the ***Primary*** Supplier***~~s~~*** shall ensure that an Allocation Schedule and the associated rules for application and maintenance of the Allocation Schedule are established and submitted in accordance with BSCP 550.

2.5.5 In connection with any Shared SVA Meter Arrangement, the Primary Supplier shall:

(a) ensure (in accordance with Section J4.1.4) that only one Meter Operator Agent and one Data Collector is appointed for the Shared SVA Metering System;

(b) request the SMRA to provide (for the purposes of paragraph 2.5.4(c)(i) ***and, where applicable, paragraph 2.5.4(c)(ii)***) ***~~a secondary~~*** SVA Metering System Numbers for the Shared SVA Metering System;

(c) notify the Secondary Supplier***(s)*** of the***ir~~ secondary~~*** SVA Metering System Number***(s)***;

(d) promptly inform the Secondary Supplier***(s)*** of any changes to information for which the Primary Supplier is solely responsible in relation to the Shared SVA Metering System;

(e) ensure that ***each~~the~~*** Secondary Supplier has equal access, for so long as the Secondary Supplier remains ***a~~the~~*** Secondary Supplier in respect of the Shared SVA Metering System, to the data recorded by the relevant Metering Equipment;

(f) be the Party responsible for submitting the initial Allocation Schedule and any subsequent Allocation Schedules to the Half Hourly Data Collector and the Secondary Supplier(s);

(g) where the initial or any subsequent Allocation Schedule specifies an amount of energy to be employed by way of fixed block or multiple fixed block in accordance with BSCP 550, estimate and notify to the Half Hourly Data Collector the maximum output or consumption capacity (as the case may be) of the Plant or Apparatus associated with the Shared SVA Metering System (expressed in MWh per Settlement Period), and revise such estimate from time to time, in each case in accordance with BSCP 550.~~;~~

2.5.6 Where ***a~~the~~*** Secondary Supplier ceases to be ***a~~the~~*** Secondary Supplier in respect of a Shared SVA Metering System and is not replaced by a new Secondary Supplier in accordance with BSCP 550 ***and no other Secondary Suppliers form part of the Shared SVA Meter Arrangement***:

(a) the SVA Metering System shall cease to be the subject of a Shared SVA Meter Arrangement;

(b) the Primary Supplier shall assume sole responsibility for such Metering System; and

(c) the SMRA shall be requested to mark the SVA Metering System Number of the Secondary Supplier as disconnected.

2.5.7 ***Where a Secondary Supplier ceases to be a Secondary Supplier in respect of a Shared SVA Metering System and is not replaced by a new Secondary Supplier in accordance with BSCP 550 but other Secondary Suppliers still form part of the Shared SVA Meter Arrangement:***

(a) the Primary Supplier shall ensure that a subsequent Allocation Schedule is submitted; and

(b) the SMRA shall be requested to mark the relevant SVA Metering System Number(s) of the Secondary Supplier as disconnected.

2.5.8 Where the Primary Supplier ceases to be the Primary Supplier and is not replaced by a new Primary Supplier in accordance with BSCP 550 ***and there is only one Secondary Supplier which forms part of the Shared SVA Meter Arrangement***:

(a) the SVA Metering System shall cease to be the subject of a Shared SVA Meter Arrangement;

(b) the Secondary Supplier shall assume sole responsibility for such Metering System; and

(c) the Secondary Supplier shall request the SMRA to mark its SVA Metering System Number as disconnected and to register the Secondary Supplier as the Registrant of such Metering System with the SVA Metering System Number previously assigned to such Primary Supplier.

2.5.9 Where the Primary Supplier ceases to be the Primary Supplier and is not replaced by a new Primary Supplier in accordance with BSCP 550 and there is more than one Secondary Supplier which form part of the Shared SVA Meter Arrangement:

(a) the SVA Metering System shall continue to be the subject of a Shared SVA Meter Arrangement;

(b) the Secondary Suppliers shall agree which of them is to act as Primary Supplier, failing which the Panel shall nominate one of them to act as Primary Supplier;

(c) the Secondary Supplier which assumes the role of Primary Supplier shall:

(i) ensure that a subsequent Allocation Schedule is submitted; and

(ii) request the SMRA to mark its Secondary SVA Metering System Number(s) as disconnected and to register it with the SVA Metering System Number previously assigned to the Primary Supplier.

…

7.3.7 Where a Replacement Supplier is appointed in respect of Plant or Apparatus which is subject to a Shared SVA Meter Arrangement, then notwithstanding any provisions to the contrary in paragraph 2.5:

(a) references in this paragraph 7 to Metering Systems associated with a BM Unit shall include the Shared SVA Metering System;

(b) the transfer of responsibility under this paragraph 7 shall apply in respect of Exports and Imports associated with the SVA Metering System Number***(s)*** of the failing Supplier;

(c) the Allocation Schedule prevailing immediately prior to the Appointment Day shall continue to apply and to bind the Replacement Supplier and the other Supplier***(s)*** (not being the failing Supplier) to the Shared SVA Meter Arrangement;

(d) the Replacement Supplier shall assume the status previously held by the failing Supplier as the Primary Supplier or ***a~~the~~*** Secondary Supplier (as the case may be);

(e) the provisions of paragraph 7.6.7 shall apply.

…

7.6.7 In relation to a Shared SVA Meter Arrangement, if the Replacement Supplier and the other Supplier***(s)*** (not being the failing Supplier) fail to reach agreement, prior to the deadline provided in paragraph 7.6.2, on the arrangements which are to apply as between themselves for the purposes of the Shared SVA Meter Arrangement, the provisions of paragraph 2.5.6 shall apply as if ***a~~the~~*** Secondary Supplier had ceased to be the Secondary Supplier.

Annex S-2

The following paragraphs of Annex S-2 shall be amended as indicated:

3.1.2 If:

(a) a SVA Generator provides Export Active Energy through a SVA Metering System and such Export Active Energy is allocated between two ***or more*** Suppliers, and/or

(b) a SVA Customer consumes Import Active Energy through a SVA Metering System and such Import Active Energy is allocated between two ***or more*** Suppliers,

each such Supplier shall ensure that aggregated consumption figures for each Settlement Period of each Settlement Day shall be made available to the SVAA pursuant to this paragraph 3 in respect of all of such Supplier's Metering System Numbers associated with Metering Systems which are subject to half hourly metering.

…

3.3.1 Paragraph 3.3.2 shall apply in respect of each Metering System subject to half hourly metering and each Unmetered Supply subject to Equivalent Metering (other than a Metering System through which a SVA Generator provides Export Active Energy or a SVA Customer consumes Import Active Energy and such Export Active Energy or Import Active Energy (as the case may be) is allocated between a Primary Supplier and the associated Secondary Supplier***(s)***, in which case the provisions of paragraph 3.3.4 shall apply).

…

3.3.3 Paragraph 3.3.4 shall apply in respect only of each Metering System subject to half hourly metering through which:

(a) a SVA Generator provides Export Active Energy and such Export Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier***(s)***; or

(b) a SVA Customer consumes Import Active Energy and such Import Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier***(s)***.

3.3.4 Where this paragraph 3.3.4 applies:

(a) the relevant Primary Supplier and the associated Secondary Supplier***(s)*** shall appoint the same Half Hourly Data Collector to be responsible for such Metering System;

(b) the Primary Supplier shall provide an initial Allocation Schedule in respect of such Metering System to such Half Hourly Data Collector ***and the associated Secondary Supplier(s)*** pursuant to BSCP 550;

(c) the Primary Supplier ~~***or the associated Secondary Supplier***~~ shall provide any subsequent Allocation Schedules in respect of such Metering System to such Half Hourly Data Collector ***and to the associated Secondary Supplier(s)*** pursuant to BSCP 550;

(d) each such Primary Supplier and the associated Secondary Supplier***(s)*** shall ensure that their Half Hourly Data Collector shall in respect of each such Metering System for which such Half Hourly Data Collector is responsible:

(i) collect the Metered Data in accordance with BSCP 550;

(ii) check the Metered Data and provide reports in accordance with BSCP 550;

(iii) enter the Supplier's Meter Register Consumption ($SMRC_{ZaKJj}$) into the relevant data collection system (where, for such Metering System and such consumption, the subscript "Z" shall denote both the Primary Supplier "Z1" and ***each~~the~~*** associated Secondary Supplier "Z***n~~2~~***" responsible for such Metering System; and the subscript "a" shall denote both the Primary Supplier's Half Hourly Data Aggregator "a1" ***(and, where Section K2.5.4(c)(ii) applies to the Primary Supplier, "a1.1")*** responsible for such Metering System and ***each~~the~~*** associated Secondary Supplier's Half Hourly Data Aggregator "a***n~~2~~***" ***(and, where Section K2.5.4(c)(ii) applies to the Secondary Supplier, "an.1")*** responsible for such Metering System);

(iv) check for consistency of standing data entries provided by the Primary Supplier and the associated Secondary Supplier***(s)*** responsible for such Metering System, resolve inconsistencies with such Suppliers and, when consistent, update such standing data entries or, if such inconsistencies cannot be resolved pursuant to BSCP 550, carry out the relevant default procedures in accordance with such BSC Procedure;

(v) update standing data entries provided by the SVAA; and update the Meter Technical Details to take account of new or revised information as provided by the relevant Meter Operator Agent;

(vi) carry out meter advance reading and reconcile the actual meter advance with synthesised meter advance derived from the Supplier's Meter Register Consumption input to the relevant data collection system;

(vii) process the Supplier's Meter Register Consumption ($SMRC_{ZaKJj}$) employing the Allocation Schedule in respect of such Metering System for the relevant Settlement Period and Settlement Day ***(but disregarding, in respect of such Settlement Period, any Allocation Schedule to the extent that it was submitted after Gate Closure for that Settlement Period)*** and provide the resulting Supplier's Metering System Metered Consumptions ($SMMC_{ZaKj}$) in respect of the Primary Supplier and the associated Secondary Supplier***(s)*** to the relevant Half Hourly Data Aggregators;

(viii) provide the Supplier's Metering System Metered Consumption report (which, in the event of a dispute related to the Metered Data in respect of such Metering System, shall include the ***Shared~~Dual~~*** Suppliers' Metering System Metered Consumption in respect of such Metering System and each Settlement Period of the relevant Settlement Day) in respect of the Primary Supplier to the Primary Supplier responsible for such Metering System and the relevant Distribution System Operator; and

(ix) provide the Supplier's Metering System Metered Consumption report (which, in the event of a dispute related to the Metered Data in respect of such Metering System, shall include the ***Shared~~Dual~~*** Suppliers' Metering System Metered Consumption in respect of such Metering System and each Settlement Period of the relevant Settlement Day) in respect of ***each~~the~~*** Secondary Supplier to the ***relevant*** Secondary Supplier responsible for such Metering System and the relevant Distribution System Operator.

3.3.5 For the avoidance of doubt, each Secondary Supplier shall be bound, for the purposes of the Code, by the Allocation Schedule submitted from time to time by the Primary Supplier in accordance with BSCP 550 and no dispute may be raised under the Code as to the accuracy or completeness of an Allocation Schedule submitted in accordance with BSCP 550 (but without prejudice to any rights which the Secondary Supplier(s) may have under any other agreement with the Primary Supplier in respect thereof).

…

3.5.2 In the case of a Metering System through which:

(a) a SVA Generator provides Export Active Energy and such Export Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier***(s)***, or

(b) a SVA Customer consumes Import Active Energy and such Import Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier***(s)***.

the relevant Primary Supplier and the associated Secondary Supplier***(s)*** shall ensure that the Supplier's Meter Register Consumption shall be so collected and the subscripts "Z" and "a" shall be construed as set out in paragraph 3.3.4.

…

3.5.4 The provisions of paragraph 3.5.5 apply in the case of a Metering System:

(a) through which:

(i) a SVA Generator provides Export Active Energy and such Export Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier***(s)***; or

(ii) a SVA Customer consumes Import Active Energy and such Import Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier***(s)***; and

(b) for which the relevant Half Hourly Data Collector appointed to be responsible for such Metering System has not identified or, if it has identified, has resolved, any inconsistencies in notifications from the Primary Supplier and the associated Secondary Supplier***(s)*** responsible for such Metering System pursuant to BSCP 550; and

(c) for which the ***Primary~~relevant~~*** Supplier has provided the relevant Allocation Schedule for the Settlement Period being processed to such Half Hourly Data Collector pursuant to such BSC Procedure ***and no later than Gate Closure for that Settlement Period***.

3.5.5 In the case of a Metering System to which this paragraph applies, the Primary Supplier and the associated Secondary Supplier***(s)*** responsible for such Metering System shall ensure that the relevant Half Hourly Data Collector shall for each Settlement Period "j":

(a) determine the ***Shared~~Dual~~*** Suppliers' Metering System Metered Consumption (***SH~~DS~~***MMC_{ZaKj}) for such Metering System "K" according to the following formula:

$$SHDSMMC_{ZaKj} = \Sigma^{K}_{J} \; SMRC_{ZaKJj}$$

where the subscripts "Z" and "a" shall be construed as set out in paragraph 3.3.4;

(b) determine the Primary Supplier's Metering System Metered Consumption ($PSMMC_{Z1a1K1j}$) for such Primary Supplier "Z1" for the relevant Primary Metering System Number "K1" which is associated with such Metering System "K" and against which the particular Half Hourly Data Aggregator "a1" is appointed by the Primary Supplier to be responsible, employing the relevant Allocation Schedule associated with such Metering System and Settlement Day ***submitted in accordance with BSCP 550 and no later than Gate Closure for the relevant Settlement Period***, as:

(i) if a percentage fraction is specified in such Allocation Schedule to be employed for the relevant Settlement Period, such percentage fraction of the ***Shared~~Dual~~*** Suppliers' Metering System Metered Consumption; or

(ii) if an amount of energy is specified in such Allocation Schedule to be employed ***by way of capped block*** for the relevant Settlement Period, the lesser of such amount and the ***Shared~~Dual~~*** Suppliers' Metering System Metered Consumption; ***or***

(iii) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Primary Supplier is identified as the fixed supplier, such amount of energy or, where such amount exceeds the Relevant Capacity Limit, the amount of energy determined for the equivalent Settlement Period in the preceding Settlement Day; or

(iv) if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement Period and the Primary Supplier is identified as a fixed supplier, the amount of energy allocated to the Primary Supplier or, where the total amount of energy specified in such Allocation Schedule for all Suppliers identified as fixed suppliers exceeds the Relevant Capacity Limit (in accordance with BSCP 550), the amount of energy determined in respect of the Primary Supplier for the equivalent Settlement Period in the preceding Settlement Day; or

(v) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and

the Primary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption exceeds the amount of energy allocated to the associated Secondary Supplier and, if no such excess, zero; or

(vi) ***if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement Period and the Primary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption exceeds the total amount of energy allocated to all the associated Secondary Suppliers and, if no such excess, zero;***

(c) ***where applicable, determine the Primary Supplier's Metering System Metered Consumption ($PSMMC_{Z1a1.1K1.1j}$) for such Primary Supplier "Z1" for the relevant Primary Metering System Number "K1.1" which is associated with such Metering System "K" and against which the particular Half Hourly Data Aggregator "a1.1" is appointed by the Primary Supplier to be responsible, employing the relevant Allocation Schedule associated with such Metering System and Settlement Day submitted in accordance with BSCP 550 and no later than Gate Closure for the relevant Settlement Period, as:***

(i) ***if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Primary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption falls short of the amount of energy allocated to the associated Secondary Supplier and, if no such shortfall, zero; or***

(ii) ***if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement Period and the Primary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption falls short of the total amount of energy allocated to all the associated Secondary Suppliers and, if no such shortfall, zero;***

(d) determine ***each*** ~~the~~ Secondary Supplier's Metering System Metered Consumption ($SSMMC_{Zn2an2Kn2j}$) for such Secondary Supplier "Z***n2***" for the relevant Secondary Metering System Number "K***n2***" which is associated with such Metering System "K" and against which the particular Half Hourly Data Aggregator "a***n2***" is appointed by the Secondary Supplier to be responsible***, employing the relevant Allocation Schedule associated with such Metering System and Settlement Day submitted in accordance with BSCP 550 and no later than Gate Closure for the relevant Settlement Period,*** as:

(i) ***where paragraph (b)(i) or (b)(ii) above apply in respect of the Primary Supplier:***

$SSMMC_{Zn2an2Kn2j} = \max((SHDSMMC_{ZaKj} - PSMMC_{Z1a1K1j}), 0)$;

where $PSMMC_{Z1a1K1j}$ is the Primary Supplier's Metering System Metered Consumption associated with such Metering System "K" determined pursuant to paragraph (b)***(i) or (b)(ii) as applicable***;

(ii) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Secondary Supplier is identified as the fixed supplier, such amount of energy or, where such amount exceeds the Relevant Capacity Limit, the amount of energy specified for the equivalent Settlement Period in the preceding Settlement Day; or

(iii) if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement Period and the Secondary Supplier is identified as a fixed supplier, the amount of energy allocated to the Secondary Supplier or, where the total amount of energy specified in such Allocation Schedule for all Suppliers identified as fixed suppliers exceeds, the amount of energy allocated to the Secondary Supplier for the equivalent Settlement Period in the preceding Settlement Day; or

(iv) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Secondary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption exceeds the amount of energy allocated to the Primary Supplier and, if no such excess, zero; or

(v) if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement Period and the Secondary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption exceeds the total amount of energy allocated to the Primary Supplier and all the other associated Secondary Suppliers and, if no such excess, zero;

(e) where applicable, determine each Secondary Supplier's Metering System Metered Consumption ($SSMMC_{Znan.1Kn.1j}$) for such Secondary Supplier "Zn" for the relevant Secondary Metering System Number "Kn.1" which is associated with such Metering System "K" and against which the particular Half Hourly Data Aggregator "an.1" is appointed by the Secondary Supplier to be responsible, employing the relevant Allocation Schedule associated with such Metering System and Settlement Day submitted in accordance with BSCP 550 and no later than Gate Closure for the relevant Settlement Period, as:

(i) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Secondary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption falls short of the amount of energy allocated to the Primary Supplier identified as the fixed supplier and, if no such shortfall, zero; or

(ii) if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement Period and the Secondary Supplier is identified as a variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption falls short of the total amount of energy allocated to the Primary Supplier and all other Secondary Suppliers identified as fixed suppliers and, if no such shortfall, zero;

(*fd*) determine the Supplier's Metering System Metered Consumption ($SMMC_{ZaKj}$) in respect of the Primary Supplier as:

(i) ***where $PSMMC_{Z1a1.1K1.1j}$ has a non-zero value:***

$$SMMC_{ZaKj} = PSMMC_{Z1a1.1K1.1j}$$

(ii) ***otherwise:***

$$SMMC_{ZaKj} = PSMMC_{Z1a1K1j}$$

and provide such Supplier's Metering System Metered Consumption to the relevant Half Hourly Data Aggregator appointed by the Primary Supplier to be responsible for such Metering System against the related Primary Metering System Number where the values of "Z", "a" and "K" are those values applicable to such Primary Supplier, such Half Hourly Data Aggregator and such Primary Metering System Number respectively; and

(*eg*) determine the Supplier's Metering System Metered Consumption ($SMMC_{ZaKj}$) in respect of ***each*** ~~the~~ Secondary Supplier as:

(i) ***where $SSMMC_{Znan.1Kn.1j}$ has a non-zero value:***

$$SMMC_{ZaKj} = SSMMC_{Znan.1Kn.1j}$$

(ii) ***otherwise:***

$$SMMC_{ZaKj} = SSMMC_{Zn2an2Kn2j}$$

and provide such Supplier's Metering System Metered Consumption to the relevant Half Hourly Data Aggregator appointed by the Secondary Supplier to be responsible for such Metering System against the related Secondary Metering System Number where the values of "Z", "a" and "K" are those values applicable to such Secondary Supplier, such Half Hourly Data Aggregator and such Secondary Metering System Number respectively.

3.5.6 Paragraph 3.5.7 applies:

(a) in the case of a Metering System through which:

(i) a SVA Generator provides Export Active Energy and such Export Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier***(s)***; or

(ii) a SVA Customer consumes Import Active Energy and such Import Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier***(s)***; and

(b) (in either case) either:

(i) the relevant Half Hourly Data Collector appointed to be responsible for such Metering System has identified and has not resolved inconsistencies in notifications from the Primary Supplier and the associated Secondary Supplier***(s)*** responsible for such Metering System pursuant to BSCP 550; or

(ii) the Primary Supplier ~~*or, as the case may be, the party authorised pursuant to BSCP 550 to provide Allocation Schedules to such Half Hourly Data Collector in respect of such Metering System*~~ has not provided the relevant Allocation Schedule for the Settlement Period being processed to such Half Hourly Data Collector pursuant to ~~*such*~~ BSC***P 550*** ~~*Procedure*~~ ***and no later than Gate Closure for the relevant Settlement Period***.

3.5.7 Where this paragraph 3.5.7 applies, the Primary Supplier and the associated Secondary Supplier***(s)*** responsible for such Metering System shall ensure that the relevant Half Hourly Data Collector shall take such actions as are specified in BSCP 550 to be taken by such Half Hourly Data Collector in such circumstances.

Annex X-1

The definitions in Annex X-1 shall be amended as follows:

"**Allocation Schedule** ":	means a schedule prepared in connection with a Shared SVA Meter Arrangement in accordance with BSCP 550 which splits the Active Energy measured by the Shared SVA Metering System for each Settlement Period between two ***or more*** Suppliers such that the ***net energy allocation*** ~~*sum of the allocations*~~ to the Suppliers is equal to such metered Active Energy;
"Relevant Capacity Limit":	***means, in connection with a Shared SVA Metering System, the prevailing estimate notified from time to time pursuant to Section K2.5.5(g);***
"**Secondary Supplier**":	means, in connection with a Shared SVA Meter Arrangement, ***a*** ~~*the*~~ Supplier which is not the Primary Supplier;
"**Shared SVA Meter Arrangement**":	means an arrangement in accordance with Section K2.5.1 under which there is a single SVA Metering System, comprising Half Hourly Metering Equipment, for Exports or (as the case may be) Imports for which two ***or more*** Suppliers are responsible;

Annex X-2

Table X-4 of Annex X-2 shall be amended as indicated below:

a	refers to a Data Aggregator or, as the context may require in paragraph 3.5 of Annex S-2, to a Data Aggregator appointed by a Primary Supplier against a Primary SVA Metering System Number and a Data Aggregator appointed by ***an*** ~~*the*~~ associated Secondary Supplier against a Secondary SVA Metering System Number;
a1	refers to a Data Aggregator appointed by a Primary Supplier against a Primary SVA Metering System Number ***K1***;
a1.1	***refers to a Data Aggregator appointed by a Primary Supplier against a Primary SVA Metering System Number K1.1;***
a***n*** ~~*2*~~	refers to a Data Aggregator appointed by a Secondary Supplier against a Secondary SVA Metering System Number ***Kn***;

an.1 ***refers to a Data Aggregator appointed by a Secondary Supplier against a Secondary SVA Metering System Number Kn.1;***

K1.1 ***refers to the "virtual" Primary SVA Metering System Number where Section K2.5.4(c)(ii) applies to the Primary Supplier;***

K***n~~2~~*** refers to a Secondary SVA Metering System Number;

Kn.1 ***refers to the "virtual" Secondary SVA Metering System Number where Section K2.5.4(c)(ii) applies to the Secondary Supplier;***

Z refers to a Supplier or, as the context may require in paragraph 3.5 of Annex S-2, to the Suppliers acting in the capacity of Primary Supplier and associated Secondary Supplier***(s)*** in respect of a particular Shared SVA Metering System;

Z***n~~2~~*** refers to a Supplier acting in the capacity of Secondary Supplier in respect of a Shared SVA Metering System.

Table X-6 of Annex X-2 shall be amended as indicated below

Expression	**Acronym**	**Units**	**Definition**
Consumption Component Class			A classification of half hourly Consumption which comprises one element from each of the following categories as shown in Table X-8: • metered or unmetered; • consumption or ***SVA~~non-pooled~~*** generation; • SVA Metering System with or without Metering System specific line losses (but a SVA Metering System without Metering System specific line losses can only be combined with unmetered Consumption); • Consumption without line losses or line losses; • based on actual or estimated half hourly; or • based on Annualised Advance or Estimated Annual Consumption.
Primary Supplier's Metering System Metered Consumption	$PSMMC_{Z1a1K1j}$ ***or (where applicable)*** $PSMMC_{Z1a1.1K}$	kWh	The half hourly metered Consumption for a Primary SVA Metering System Number determined pursuant to paragraph 3.5 of

Expression	Acronym	Units	Definition
	1.1j		Annex S-2.
Shared~~Dual~~ Suppliers' Metering System Metered Consumption	***SH~~D~~S***$SMMC_{Za\ Kj}$	kWh	The half hourly metered Consumption for a SVA Metering System which measures Active Energy that is allocated between a Primary Supplier and the associated Secondary Supplier***(s)*** and which half hourly consumption is determined pursuant to paragraph 3.5 of Annex S-2.
Secondary Supplier's Metering System Metered Consumption	$SSMMC_{Zn~~2~~an~~2~~\ Kn~~2~~j}$ ***or (where applicable)*** $SSMMC_{Znan.1K\ n.1j}$	kWh	The half hourly metered Consumption for a Secondary SVA Metering System Number determined pursuant to paragraph 3.5 of Annex S-2.

Table X-7 of Annex X-2 shall be amended as indicated below

Acronym	Corresponding Defined Term or Expression
$PSMMC_{Z1a1K1j}$	Primary Supplier's Metering System Metered Consumption ***for Secondary SVA Metering System Number K1***
$PSMMC_{Z1a1.1K1.1j}$	***Primary Supplier's Metering System Metered Consumption for Secondary SVA Metering System Number K1.1***
SH~~D~~$SMMC_{ZaKj}$	***Shared~~Dual~~*** Suppliers' Metering System Metered Consumption
$SSMMC_{Zn~~2~~an~~2~~K~~n~~2~~j}$	Secondary Supplier's Metering System Metered Consumption ***for Secondary SVA Metering System Number Kn***
$SSMMC_{Znan.1Kn.1j}$	***Secondary Supplier's Metering System Metered Consumption for Secondary SVA Metering System Number Kn.1***

7.2 Clean Version

Section J

2.4.2 Without prejudice to the generality of paragraph 2.4.1:

(a) an Accredited Data Aggregator which is to start aggregating energy values per Supplier BM Unit in accordance with paragraph 3.6 of Annex S-2; or

(b) an Accredited Data Collector or Accredited Data Aggregator which is to start collecting or aggregating data in the circumstances where paragraphs 3.3.4 and 3.5.5, respectively, of Annex S-2 apply; or

(c) an Accredited Data Collector which is to start collecting data in the circumstances where there is a variable supplier as referred to in paragraph 3.5.5 of Annex S-2,

shall be Accredited and its Agency Systems Certified in respect of those functions before starting to do so.

…

4.1.4 In respect of a Shared SVA Metering System, where the same SVA Metering Equipment measures Export Active Energy in respect of supplies to two or more Suppliers or Import Active Energy in respect of supplies by two or more Suppliers (as the case may be):

(a) the Primary Supplier shall:

(i) nominate a Meter Operator Agent and a Data Collector for that Shared SVA Metering System and inform the Secondary Supplier(s) of that nomination; and

(ii) ensure that the nominated Data Collector is provided with the Allocation Schedule for that Shared SVA Metering System in accordance with BSCP 550;

(b) all such Suppliers shall:

(i) secure that the nominated Meter Operator Agent and Data Collector is appointed for that Shared SVA Metering System notwithstanding that the Metering System may have more than one SVA Metering System Number for the purposes of registration in SMRS;

(ii) arrange for the Primary Supplier to notify the nominated Meter Operator Agent and Data Collector of those SVA Metering System Numbers before their respective appointments as Party Agents come into effect;

(iii) notify the nominated Meter Operator Agent of its appointment and the nominated Data Collector of its appointment at least five Business Days before such appointment is to come into effect and (if practicable) give them at least five Business Days' notice of the termination of their respective appointments; and

(c) each such Supplier shall appoint a Data Aggregator of its choice provided that the Primary Supplier shall in respect of any particular period appoint its Data Aggregator against its related SVA Metering System Number(s) and the

Secondary Supplier(s) shall appoint their Data Aggregators against their related SVA Metering System Number(s) for such Shared SVA Metering System.

4.1.5 Where the same SVA Metering Equipment at a Third Party Generating Plant measures both Import Active Energy and Export Active Energy:

(a) the Supplier (or, in the case of a Shared SVA Metering System, the Primary Supplier) which is taking the Export Active Energy shall secure that the same Meter Operator Agent is appointed in respect of the measurement of Export Active Energy as has been appointed in respect of the measurement of Import Active Energy; and

(b) the Supplier (or, in the case of a Shared SVA Metering System, the Primary Supplier) which is supplying the Import Active Energy shall provide the Party (or Primary Supplier, as the case may be) which is taking the Export Active Energy with details of the Meter Operator Agent appointed in respect of the measurement of Import Active Energy,

in accordance with BSCP 550.

4.1.6 Where an Outstation or Outstations associated with a SVA Metering System at a Third Party Generating Plant is being used for the purposes of transferring data relating to both Import Active Energy and Export Active Energy:

(a) the Supplier (or, in the case of a Shared SVA Metering System, the Primary Supplier) which is taking the Export Active Energy shall, subject to paragraph (c)) secure that the same Data Collector is appointed as is appointed to collect Import Active Energy from such Outstation;

(b) the Supplier (or, in the case of a Shared SVA Metering System, the Primary Supplier) which is supplying the Import Active Energy shall provide the Party (or Primary Supplier, as the case may be) which is taking the Export Active Energy with details of the Data Collector appointed in respect of the collection of data relating to Import Active Energy; and

(c) both Suppliers shall ensure that the Data Collector so appointed is appropriately Accredited.

Section K

2.5 Shared SVA Meter Arrangements

2.5.1 Subject to and in accordance with this paragraph 2.5 and the further provisions of the Code, two or more Suppliers may make an arrangement (a "**Shared SVA Meter Arrangement**") under which there is a single SVA Metering System for Exports or Imports (from or to the same Plant and Apparatus) for which the two or more Suppliers are responsible.

2.5.2 A Shared SVA Meter Arrangement may be made only:

(a) in relation to a SVA Metering System comprising Half Hourly Metering Equipment; and

(b) in relation to Exports or (as the case may be) Imports for which the two or more Suppliers are responsible (and not in relation to a combination of Exports and Imports but without prejudice to paragraph 2.5.4(c)(ii)); and

(c) between no more than the maximum number of Suppliers in relation to a SVA Metering System as may from time to time be determined and published by BSCCo in accordance with the procedures set out in BSCP 550 (and, where a maximum number is so specified, references in the Code to two or more

Suppliers under a Shared SVA Meter Arrangement are subject to such maximum limit).

2.5.3 A Shared SVA Meter Arrangement shall be made, and related information submitted, maintained and updated, in accordance with and subject to the provisions of BSCP 550.

2.5.4 Where Suppliers make a Shared SVA Meter Arrangement:

(a) the Suppliers shall ensure that each is informed of each other's identity by the SVA Customer or (as the case may be) SVA Generator;

(b) the Suppliers shall agree which of them is to act as primary Supplier for the purposes of the Code, failing which the Panel shall nominate one of them to act as primary Supplier;

(c) each Supplier shall:

(i) register the Shared SVA Metering System in the SMRS with a different SVA Metering System Number, for which each Supplier shall be respectively responsible;

(ii) where the Supplier is the variable supplier as referred to in paragraph 3.5.5 of Annex S-2, register the Shared SVA Metering System in the SMRS with two different SVA Metering System Numbers (one classed as import and the other as export in accordance with BSCP 550), for which such Supplier is responsible;

(iii) inform the SMRA if at any time it ceases to be responsible for the Shared SVA Metering System, provided that:

(1) all such Suppliers may not cease to be so responsible at the same time unless the relevant SVA Metering System is disconnected at that time or another Supplier or Suppliers assume responsibility for that Metering System in accordance with the provisions of the Code with effect from the time when all such Suppliers cease to be so responsible; and

(2) where a Supplier ceases to be so responsible as a result of another Supplier assuming such responsibility, that other Supplier (rather than the Supplier ceasing to be so responsible) shall inform the SMRA;

(iv) maintain and update the information in that SMRS for which it is responsible;

(d) the Primary Supplier shall ensure that an Allocation Schedule and the associated rules for application and maintenance of the Allocation Schedule are established and submitted in accordance with BSCP 550.

2.5.5 In connection with any Shared SVA Meter Arrangement, the Primary Supplier shall:

(a) ensure (in accordance with Section J4.1.4) that only one Meter Operator Agent and one Data Collector is appointed for the Shared SVA Metering System;

(b) request the SMRA to provide (for the purposes of paragraph 2.5.4(c)(i) and, where applicable, paragraph 2.5.4(c)(ii)) SVA Metering System Numbers for the Shared SVA Metering System;

(c) notify the Secondary Supplier(s) of their SVA Metering System Number(s);

(d) promptly inform the Secondary Supplier(s) of any changes to information for which the Primary Supplier is solely responsible in relation to the Shared SVA Metering System;

(e) ensure that each Secondary Supplier has equal access, for so long as the Secondary Supplier remains a Secondary Supplier in respect of the Shared SVA Metering System, to the data recorded by the relevant Metering Equipment;

(f) be the Party responsible for submitting the initial Allocation Schedule and any subsequent Allocation Schedules to the Half Hourly Data Collector and the Secondary Supplier(s);

(g) where the initial or any subsequent Allocation Schedule specifies an amount of energy to be employed by way of fixed block or multiple fixed block in accordance with BSCP 550, estimate and notify to the Half Hourly Data Collector the maximum output or consumption capacity (as the case may be) of the Plant or Apparatus associated with the Shared SVA Metering System (expressed in MWh per Settlement Period), and revise such estimate from time to time, in each case in accordance with BSCP 550.

2.5.6 Where a Secondary Supplier ceases to be a Secondary Supplier in respect of a Shared SVA Metering System and is not replaced by a new Secondary Supplier in accordance with BSCP 550 and no other Secondary Suppliers form part of the Shared SVA Meter Arrangement:

(a) the SVA Metering System shall cease to be the subject of a Shared SVA Meter Arrangement;

(b) the Primary Supplier shall assume sole responsibility for such Metering System; and

(c) the SMRA shall be requested to mark the SVA Metering System Number of the Secondary Supplier as disconnected.

2.5.7 Where a Secondary Supplier ceases to be a Secondary Supplier in respect of a Shared SVA Metering System and is not replaced by a new Secondary Supplier in accordance with BSCP 550 but other Secondary Suppliers still form part of the Shared SVA Meter Arrangement:

(a) the Primary Supplier shall ensure that a subsequent Allocation Schedule is submitted; and

(b) the SMRA shall be requested to mark the relevant SVA Metering System Number(s) of the Secondary Supplier as disconnected.

2.5.8 Where the Primary Supplier ceases to be the Primary Supplier and is not replaced by a new Primary Supplier in accordance with BSCP 550 and there is only one Secondary Supplier which forms part of the Shared SVA Meter Arrangement:

(a) the SVA Metering System shall cease to be the subject of a Shared SVA Meter Arrangement;

(b) the Secondary Supplier shall assume sole responsibility for such Metering System; and

(c) the Secondary Supplier shall request the SMRA to mark its SVA Metering System Number as disconnected and to register the Secondary Supplier as the Registrant of such Metering System with the SVA Metering System Number previously assigned to such Primary Supplier.2.5.9 Where the Primary Supplier ceases to be the Primary Supplier and is not replaced by a new Primary Supplier in accordance with BSCP 550 and there is more than one Secondary Supplier which form part of the Shared SVA Meter Arrangement:

(a) the SVA Metering System shall continue to be the subject of a Shared SVA Meter Arrangement;

(b) the Secondary Suppliers shall agree which of them is to act as Primary Supplier, failing which the Panel shall nominate one of them to act as Primary Supplier;

(c) the Secondary Supplier which assumes the role of Primary Supplier shall:

(i) ensure that a subsequent Allocation Schedule is submitted; and

(ii) request the SMRA to mark its Secondary SVA Metering System Number(s) as disconnected and to register it with the SVA Metering System Number previously assigned to the Primary Supplier.

…

7.3.7 Where a Replacement Supplier is appointed in respect of Plant or Apparatus which is subject to a Shared SVA Meter Arrangement, then notwithstanding any provisions to the contrary in paragraph 2.5:

(a) references in this paragraph 7 to Metering Systems associated with a BM Unit shall include the Shared SVA Metering System;

(b) the transfer of responsibility under this paragraph 7 shall apply in respect of Exports and Imports associated with the SVA Metering System Number(s) of the failing Supplier;

(c) the Allocation Schedule prevailing immediately prior to the Appointment Day shall continue to apply and to bind the Replacement Supplier and the other Supplier(s) (not being the failing Supplier) to the Shared SVA Meter Arrangement;

(d) the Replacement Supplier shall assume the status previously held by the failing Supplier as the Primary Supplier or a Secondary Supplier (as the case may be);

(e) the provisions of paragraph 7.6.7 shall apply.

…

7.6.7 In relation to a Shared SVA Meter Arrangement, if the Replacement Supplier and the other Supplier(s) (not being the failing Supplier) fail to reach agreement, prior to the deadline provided in paragraph 7.6.2, on the arrangements which are to apply as between themselves for the purposes of the Shared SVA Meter Arrangement, the provisions of paragraph 2.5.6 shall apply as if a Secondary Supplier had ceased to be the Secondary Supplier.

Annex S-2

3.1.2 If:

(a) a SVA Generator provides Export Active Energy through a SVA Metering System and such Export Active Energy is allocated between two or more Suppliers, and/or

(b) a SVA Customer consumes Import Active Energy through a SVA Metering System and such Import Active Energy is allocated between two or more Suppliers,

each such Supplier shall ensure that aggregated consumption figures for each Settlement Period of each Settlement Day shall be made available to the SVAA pursuant to this paragraph 3 in respect of all of such Supplier's Metering System Numbers associated with Metering Systems which are subject to half hourly metering.

…

3.3.1 Paragraph 3.3.2 shall apply in respect of each Metering System subject to half hourly metering and each Unmetered Supply subject to Equivalent Metering (other than a Metering System through which a SVA Generator provides Export Active Energy or a SVA Customer consumes Import Active Energy and such Export Active Energy or Import Active Energy (as the case may be) is allocated between a Primary Supplier and the associated Secondary Supplier(s), in which case the provisions of paragraph 3.3.4 shall apply).

…

3.3.3 Paragraph 3.3.4 shall apply in respect only of each Metering System subject to half hourly metering through which:

(a) a SVA Generator provides Export Active Energy and such Export Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier(s); or

(b) a SVA Customer consumes Import Active Energy and such Import Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier(s).

3.3.4 Where this paragraph 3.3.4 applies:

(a) the relevant Primary Supplier and the associated Secondary Supplier(s) shall appoint the same Half Hourly Data Collector to be responsible for such Metering System;

(b) the Primary Supplier shall provide an initial Allocation Schedule in respect of such Metering System to such Half Hourly Data Collector and the associated Secondary Supplier(s) pursuant to BSCP 550;

(c) the Primary Supplier shall provide any subsequent Allocation Schedules in respect of such Metering System to such Half Hourly Data Collector and to the associated Secondary Supplier(s) pursuant to BSCP 550;

(d) each such Primary Supplier and the associated Secondary Supplier(s) shall ensure that their Half Hourly Data Collector shall in respect of each such Metering System for which such Half Hourly Data Collector is responsible:

(i) collect the Metered Data in accordance with BSCP 550;

(ii) check the Metered Data and provide reports in accordance with BSCP 550;

(iii) enter the Supplier's Meter Register Consumption ($SMRC_{ZaKJj}$) into the relevant data collection system (where, for such Metering System and such consumption, the subscript "Z" shall denote both the Primary Supplier "Z1" and each associated Secondary Supplier "Zn" responsible for such Metering System; and the subscript "a" shall denote both the Primary Supplier's Half Hourly Data Aggregator "a1" (and, where Section K2.5.4(c)(ii) applies to the Primary Supplier, "a1.1") responsible for such Metering System and each associated Secondary Supplier's Half Hourly Data Aggregator "an" (and, where Section K2.5.4(c)(ii) applies to the Secondary Supplier, "an.1") responsible for such Metering System);

(iv) check for consistency of standing data entries provided by the Primary Supplier and the associated Secondary Supplier(s) responsible for such Metering System, resolve inconsistencies with such Suppliers and, when consistent, update such standing data entries or, if such inconsistencies cannot be resolved pursuant to BSCP 550, carry out the relevant default procedures in accordance with such BSC Procedure;

(v) update standing data entries provided by the SVAA; and update the Meter Technical Details to take account of new or revised information as provided by the relevant Meter Operator Agent;

(vi) carry out meter advance reading and reconcile the actual meter advance with synthesised meter advance derived from the Supplier's Meter Register Consumption input to the relevant data collection system;

(vii) process the Supplier's Meter Register Consumption ($SMRC_{ZaKJj}$) employing the Allocation Schedule in respect of such Metering System for the relevant Settlement Period and Settlement Day (but disregarding, in respect of such Settlement Period, any Allocation Schedule to the extent that it was submitted after Gate Closure for that Settlement Period) and provide the resulting Supplier's Metering System Metered Consumptions ($SMMC_{ZaKj}$) in respect of the Primary Supplier and the associated Secondary Supplier(s) to the relevant Half Hourly Data Aggregators;

(viii) provide the Supplier's Metering System Metered Consumption report (which, in the event of a dispute related to the Metered Data in respect of such Metering System, shall include the Shared Suppliers' Metering System Metered Consumption in respect of such Metering System and each Settlement Period of the relevant Settlement Day) in respect of the Primary Supplier to the Primary Supplier responsible for such Metering System and the relevant Distribution System Operator; and

(ix) provide the Supplier's Metering System Metered Consumption report (which, in the event of a dispute related to the Metered Data in respect of such Metering System, shall include the Shared Suppliers' Metering System Metered Consumption in respect of such Metering System and each Settlement Period of the relevant Settlement Day) in respect of each Secondary Supplier to the relevant Secondary Supplier responsible for such Metering System and the relevant Distribution System Operator.

3.3.5 For the avoidance of doubt, each Secondary Supplier shall be bound, for the purposes of the Code, by the Allocation Schedule submitted from time to time by the Primary Supplier in accordance with BSCP 550 and no dispute may be raised under the Code as to the accuracy or completeness of an Allocation Schedule submitted in accordance with BSCP 550 (but without prejudice to any rights which the Secondary Supplier(s) may have under any other agreement with the Primary Supplier in respect thereof).

…

3.5.2 In the case of a Metering System through which:

(a) a SVA Generator provides Export Active Energy and such Export Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier(s), or

(b) a SVA Customer consumes Import Active Energy and such Import Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier(s).

the relevant Primary Supplier and the associated Secondary Supplier(s) shall ensure that the Supplier's Meter Register Consumption shall be so collected and the subscripts "Z" and "a" shall be construed as set out in paragraph 3.3.4.

…

3.5.4 The provisions of paragraph 3.5.5 apply in the case of a Metering System:

(a) through which:

(i) a SVA Generator provides Export Active Energy and such Export Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier(s); or

(ii) a SVA Customer consumes Import Active Energy and such Import Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier(s); and

(b) for which the relevant Half Hourly Data Collector appointed to be responsible for such Metering System has not identified or, if it has identified, has resolved, any inconsistencies in notifications from the Primary Supplier and the associated Secondary Supplier(s) responsible for such Metering System pursuant to BSCP 550; and

(c) for which the Primary Supplier has provided the relevant Allocation Schedule for the Settlement Period being processed to such Half Hourly Data Collector pursuant to such BSC Procedure and no later than Gate Closure for that Settlement Period.

3.5.5 In the case of a Metering System to which this paragraph applies, the Primary Supplier and the associated Secondary Supplier(s) responsible for such Metering System shall ensure that the relevant Half Hourly Data Collector shall for each Settlement Period "j":

(a) determine the Shared Suppliers' Metering System Metered Consumption ($SHMMC_{ZaKj}$) for such Metering System "K" according to the following formula:

$$SHMMC_{ZaKj} = \Sigma^{K}_{J} \; SMRC_{ZaKJj}$$

where the subscripts "Z" and "a" shall be construed as set out in paragraph 3.3.4;

(b) determine the Primary Supplier's Metering System Metered Consumption ($PSMMC_{Z1a1K1j}$) for such Primary Supplier "Z1" for the relevant Primary Metering System Number "K1" which is associated with such Metering System "K" and against which the particular Half Hourly Data Aggregator "a1" is appointed by the Primary Supplier to be responsible, employing the relevant Allocation Schedule associated with such Metering System and Settlement Day submitted in accordance with BSCP 550 and no later than Gate Closure for the relevant Settlement Period, as:

(i) if a percentage fraction is specified in such Allocation Schedule to be employed for the relevant Settlement Period, such percentage fraction of the Shared Suppliers' Metering System Metered Consumption; or

(ii) if an amount of energy is specified in such Allocation Schedule to be employed by way of capped block for the relevant Settlement Period, the lesser of such amount and the Shared Suppliers' Metering System Metered Consumption; or

(iii) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Primary Supplier is identified as the fixed supplier, such amount of energy or, where such amount exceeds the Relevant Capacity Limit, the amount of energy determined for the equivalent Settlement Period in the preceding Settlement Day; or

(iv) if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement Period and the Primary Supplier is identified as a fixed supplier, the amount of energy allocated to the Primary Supplier or, where the total amount of energy specified in such Allocation Schedule for all Suppliers identified as fixed suppliers exceeds the Relevant Capacity Limit (in accordance with BSCP 550), the amount of energy determined in respect of the Primary Supplier for the equivalent Settlement Period in the preceding Settlement Day; or

(v) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Primary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption exceeds the amount of energy allocated to the associated Secondary Supplier and, if no such excess, zero; or

(vi) if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement

Period and the Primary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption exceeds the total amount of energy allocated to all the associated Secondary Suppliers and, if no such excess, zero;

(c) where applicable, determine the Primary Supplier's Metering System Metered Consumption ($PSMMC_{Z1a1.1K1.1j}$) for such Primary Supplier "Z1" for the relevant Primary Metering System Number "K1.1" which is associated with such Metering System "K" and against which the particular Half Hourly Data Aggregator "a1.1" is appointed by the Primary Supplier to be responsible, employing the relevant Allocation Schedule associated with such Metering System and Settlement Day submitted in accordance with BSCP 550 and no later than Gate Closure for the relevant Settlement Period, as:

(i) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Primary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption falls short of the amount of energy allocated to the associated Secondary Supplier and, if no such shortfall, zero; or

(ii) if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement Period and the Primary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption falls short of the total amount of energy allocated to all the associated Secondary Suppliers and, if no such shortfall, zero;

(d) determine each Secondary Supplier's Metering System Metered Consumption ($SSMMC_{ZnanKnj}$) for such Secondary Supplier "Zn" for the relevant Secondary Metering System Number "Kn" which is associated with such Metering System "K" and against which the particular Half Hourly Data Aggregator "an" is appointed by the Secondary Supplier to be responsible, employing the relevant Allocation Schedule associated with such Metering System and Settlement Day submitted in accordance with BSCP 550 and no later than Gate Closure for the relevant Settlement Period, as:

(i) where paragraph (b)(i) or (b)(ii) above apply in respect of the Primary Supplier:

$SSMMC_{ZnanKnj} = \max ((SHMMC_{ZaKj} - PSMMC_{Z1a1K1j}), 0)$;

where $PSMMC_{Z1a1K1j}$ is the Primary Supplier's Metering System Metered Consumption associated with such Metering System "K" determined pursuant to paragraph (b)(i) or (b)(ii) as applicable;

(ii) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Secondary Supplier is identified as the fixed supplier, such amount of energy or, where such amount exceeds the Relevant Capacity Limit, the amount of energy specified for the equivalent Settlement Period in the preceding Settlement Day; or

(iii) if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement

Period and the Secondary Supplier is identified as a fixed supplier, the amount of energy allocated to the Secondary Supplier or, where the total amount of energy specified in such Allocation Schedule for all Suppliers identified as fixed suppliers exceeds, the amount of energy allocated to the Secondary Supplier for the equivalent Settlement Period in the preceding Settlement Day; or

(iv) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Secondary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption exceeds the amount of energy allocated to the Primary Supplier and, if no such excess, zero; or

(v) if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement Period and the Secondary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption exceeds the total amount of energy allocated to the Primary Supplier and all the other associated Secondary Suppliers and, if no such excess, zero;

(e) where applicable, determine each Secondary Supplier's Metering System Metered Consumption ($SSMMC_{Znan.1Kn.1j}$) for such Secondary Supplier "Zn" for the relevant Secondary Metering System Number "Kn.1" which is associated with such Metering System "K" and against which the particular Half Hourly Data Aggregator "an.1" is appointed by the Secondary Supplier to be responsible, employing the relevant Allocation Schedule associated with such Metering System and Settlement Day submitted in accordance with BSCP 550 and no later than Gate Closure for the relevant Settlement Period, as:

(i) if an amount of energy is specified in such Allocation Schedule to be employed by way of fixed block for the relevant Settlement Period and the Secondary Supplier is identified as the variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption falls short of the amount of energy allocated to the Primary Supplier identified as the fixed supplier and, if no such shortfall, zero; or

(ii) if an amount of energy is specified in such Allocation Schedule to be employed by way of multiple fixed block for the relevant Settlement Period and the Secondary Supplier is identified as a variable supplier, the amount by which the Shared Suppliers' Metering System Metered Consumption falls short of the total amount of energy allocated to the Primary Supplier and all other Secondary Suppliers identified as fixed suppliers and, if no such shortfall, zero;

(f) determine the Supplier's Metering System Metered Consumption ($SMMC_{ZaKj}$) in respect of the Primary Supplier as:

(i) where $PSMMC_{Z1a1.1K1.1j}$ has a non-zero value:

$$SMMC_{ZaKj} = PSMMC_{Z1a1.1K1.1j}$$

(ii) otherwise:

$SMMC_{ZaKj} = PSMMC_{Z1a1K1j}$

and provide such Supplier's Metering System Metered Consumption to the relevant Half Hourly Data Aggregator appointed by the Primary Supplier to be responsible for such Metering System against the related Primary Metering System Number where the values of "Z", "a" and "K" are those values applicable to such Primary Supplier, such Half Hourly Data Aggregator and such Primary Metering System Number respectively; and

(g) determine the Supplier's Metering System Metered Consumption ($SMMC_{ZaKj}$) in respect of each Secondary Supplier as:

(i) where $SSMMC_{Znan.1Kn.1j}$ has a non-zero value:

$SMMC_{ZaKj} = SSMMC_{Znan.1Kn.1j}$

(ii) otherwise:

$SMMC_{ZaKj} = SSMMC_{ZnanKnj}$

and provide such Supplier's Metering System Metered Consumption to the relevant Half Hourly Data Aggregator appointed by the Secondary Supplier to be responsible for such Metering System against the related Secondary Metering System Number where the values of "Z", "a" and "K" are those values applicable to such Secondary Supplier, such Half Hourly Data Aggregator and such Secondary Metering System Number respectively. 3.5.6
Paragraph 3.5.7 applies:

(a) in the case of a Metering System through which:

(i) a SVA Generator provides Export Active Energy and such Export Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier(s); or

(ii) a SVA Customer consumes Import Active Energy and such Import Active Energy is allocated between a Primary Supplier and the associated Secondary Supplier(s); and

(b) (in either case) either:

(i) the relevant Half Hourly Data Collector appointed to be responsible for such Metering System has identified and has not resolved inconsistencies in notifications from the Primary Supplier and the associated Secondary Supplier(s) responsible for such Metering System pursuant to BSCP 550; or

(ii) the Primary Supplier has not provided the relevant Allocation Schedule for the Settlement Period being processed to such Half Hourly Data Collector pursuant to BSCP 550 and no later than Gate Closure for the relevant Settlement Period.

3.5.7 Where this paragraph 3.5.7 applies, the Primary Supplier and the associated Secondary Supplier(s) responsible for such Metering System shall ensure that the relevant Half Hourly Data Collector shall take such actions as are specified in BSCP 550 to be taken by such Half Hourly Data Collector in such circumstances.

Annex X-1

"**Allocation Schedule** ":	means a schedule prepared in connection with a Shared SVA Meter Arrangement in accordance with BSCP 550 which splits the Active Energy measured by the Shared SVA Metering System for each Settlement Period between two or more Suppliers such that the net energy allocation to the Suppliers is equal to such metered Active Energy;
"**Relevant Capacity Limit**":	means, in connection with a Shared SVA Metering System, the prevailing estimate notified from time to time pursuant to Section K2.5.5(g);
"**Secondary Supplier**":	means, in connection with a Shared SVA Meter Arrangement, a Supplier which is not the Primary Supplier;
"**Shared SVA Meter Arrangement**":	means an arrangement in accordance with Section K2.5.1 under which there is a single SVA Metering System, comprising Half Hourly Metering Equipment, for Exports or (as the case may be) Imports for which two or more Suppliers are responsible;

Table X-4 of Annex X-2

a	refers to a Data Aggregator or, as the context may require in paragraph 3.5 of Annex S-2, to a Data Aggregator appointed by a Primary Supplier against a Primary SVA Metering System Number and a Data Aggregator appointed by an associated Secondary Supplier against a Secondary SVA Metering System Number;
a1	refers to a Data Aggregator appointed by a Primary Supplier against a Primary SVA Metering System Number K1;
a1.1	refers to a Data Aggregator appointed by a Primary Supplier against a Primary SVA Metering System Number K1.1;
an	refers to a Data Aggregator appointed by a Secondary Supplier against a Secondary SVA Metering System Number Kn;
an.1	refers to a Data Aggregator appointed by a Secondary Supplier against a Secondary SVA Metering System Number Kn.1;
K1.1	refers to the "virtual" Primary SVA Metering System Number where Section K2.5.4(c)(ii) applies to the Primary Supplier;
Kn	refers to a Secondary SVA Metering System Number;

Kn.1 refers to the "virtual" Secondary SVA Metering System Number where Section K2.5.4(c)(ii) applies to the Secondary Supplier;

Z refers to a Supplier or, as the context may require in paragraph 3.5 of Annex S-2, to the Suppliers acting in the capacity of Primary Supplier and associated Secondary Supplier(s) in respect of a particular Shared SVA Metering System;

Zn refers to a Supplier acting in the capacity of Secondary Supplier in respect of a Shared SVA Metering System.

Table X-6 of Annex X-2

Expression	Acronym	Units	Definition
Consumption Component Class			A classification of half hourly Consumption which comprises one element from each of the following categories as shown in Table X-8: • metered or unmetered; • consumption or SVA generation; • SVA Metering System with or without Metering System specific line losses (but a SVA Metering System without Metering System specific line losses can only be combined with unmetered Consumption); • Consumption without line losses or line losses; • based on actual or estimated half hourly; or • based on Annualised Advance or Estimated Annual Consumption.
Primary Supplier's Metering System Metered Consumption	$PSMMC_{Z1a1K1j}$ or (where applicable) $PSMMC_{Z1a1.1K1.1j}$	kWh	The half hourly metered Consumption for a Primary SVA Metering System Number determined pursuant to paragraph 3.5 of Annex S-2.
Shared Suppliers' Metering System	$SHMMC_{ZaKj}$	kWh	The half hourly metered Consumption for a SVA Metering System which measures Active Energy that is allocated between a

Expression	Acronym	Units	Definition
Metered Consumption			Primary Supplier and the associated Secondary Supplier(s) and which half hourly consumption is determined pursuant to paragraph 3.5 of Annex S-2.
Secondary Supplier's Metering System Metered Consumption	$SSMMC_{ZnanKnj}$ or (where applicable) $SSMMC_{Znan.1Kn.1j}$	kWh	The half hourly metered Consumption for a Secondary SVA Metering System Number determined pursuant to paragraph 3.5 of Annex S-2.

Table X-7 of Annex X-2

Acronym	Corresponding Defined Term or Expression
$PSMMC_{Z1a1K1j}$	Primary Supplier's Metering System Metered Consumption for Secondary SVA Metering System Number K1
$PSMMC_{Z1a1.1K1.1j}$	Primary Supplier's Metering System Metered Consumption for Secondary SVA Metering System Number K1.1
$SHSMMC_{ZaKj}$	Shared Suppliers' Metering System Metered Consumption
$SSMMC_{ZnanKnj}$	Secondary Supplier's Metering System Metered Consumption for Secondary SVA Metering System Number Kn
$SSMMC_{Znan.1Kn.1j}$	Secondary Supplier's Metering System Metered Consumption for Secondary SVA Metering System Number Kn.1

ANNEX 1 – AVAILABLE SUPPORTING INFORMATION AND DATA

The Group prepared a Requirements Specification for the changes required to implement P67 and carried out a brief consultation on the basis of the Requirements Specification. Copies of the Requirements Specification, the Consultation Document and associated questionnaire used to obtain the views of Parties and Party Agents and the SVG minutes are available on the ELEXON website at www.elexon.co.uk.

Copies of the MRASCo related documentation has been circulated to MRA signatories via MRASCo.

The results of the consultation showed general support for the implementation of P67.

ANNEX 2 – REPRESENTATIONS

Annex 2A – Representations to Consultation

No	Company	File Number	No. Parties Represented
1.	British Gas Trading	P67_UMR_001	3
2.	NGC	P67_UMR_002	1
3.	Edison Mission Energy	P67_UMR_003	1
4.	TXU Europe	P67_UMR_004	14
5.	Alcan Smelting & Power UK	P67_UMR_005	N/a
6.	Powergen plc	P67_UMR_006	4
7.	SEEBOARD Energy Ltd	P67_UMR_007	1
8.	SEEBOARD Power Networks	P67_UMR_008	1
9.	Western Power Distribution	P67_UMR_009	2
10.	BP Gas	P67_UMR_010	3
11.	LE Group	P67_UMR_011	4
12.	Innogy plc	P67_UMR_012	9
13.	Scottish & Southern	P67_UMR_013	5
14.	Dynegy	P67_UMR_014	1
15.	ScottishPower UK plc	P67_UMR_015	7
		Total	37

Below are the detailed responses to the consultation. A summary of the consultation responses is provided in Annex 4.

Dear Sir

> Urgent Modification Proposal 67: Facilitation of Further Consolidation Options for Licence Exempt Generators (DTI Consolidator Working Group 'Option 4')

British Gas welcome the opportunity of commenting on this modification proposal. This response is on behalf of British Gas, Centrica King's Lynn and Centrica Peterborough.

We support this modification and agree it should better facilitate the applicable BSC objectives by increasing the options available to Licence Exempt Generators (LEGs) to sell their output. As such it will promote effective competition in generation and supply of electricity.

We recognise there is a perception that smaller players (including generators and suppliers) and renewable generators have been disadvantaged by the introduction of NETA and believe this change is a step forward without changing the fundamental rules of the system.

The urgent nature of this modification has meant that little consideration has been given to impact of the necessary changes to the MRA. Also the cost of changes to the systems of the relevant Half Hourly Data Collector (HHDC) and suppliers have not been fully explored and we are concerned this cost may be prohibitive to those Parties wishing to use these allocation options.

Further the modification will require re-certification of the HHDC appointed by the Party wishing to provide this service. This is a time consuming process and it may not be possible for this to be carried out in the timescales mentioned in the report.

Yours faithfully

Danielle Lane, Transportation Analyst

Name: Danielle Lane / Andrew Latham
Organisation: British Gas Trading
Response Provided on behalf of (BSC Parties): Centrica King's Lynn, Centrica Peterborough

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes Comments: We support the principles behind this modification as they seek to help smaller players under NETA, without changing the fundamental rules of the system. This change seems to target the problems of intermittent generation more effectively than some of the other measures which have been discussed.
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	Yes If Yes, which objective(s): Objective (a) No Objective (b) No Objective (c) Yes Objective (d) No Comments:
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes Comments: We agree that within the BSC this appears to be the most cost effective way of implementing Option 4. However, whilst we accept that this modification is an optional mechanism which will give "two additional Allocation methods" we believe that the impact of this proposal will have on Core Industry Documents cannot be fully addressed in the short timescales of development of this modification.
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Possibly Comments: Currently there are no plans to use this option as laid out in mod P67. However this does not signify that we will not use it in the future.

No.	Question	Response
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments: It is not possible to say at
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	N/A
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	N/A Comments:
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	No If Yes, what limit: Comments: There should be a natural minimum size of energy that will limit the number of suppliers who would wish to be involved.
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: Very little at this stage, but it appears that there could be considerable material cost if we chose to use this option. It depends on how many Parties take advantage of the additional allocation methods introduced by P67.
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes Comments: This modification would impact our organisation should we opt to use either of the new allocation methods. As yet the System costs are not quantified and the timescales are to be determined. However as re-certification via SACR takes 3 months or more we would anticipate the timescales to be along these lines.
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	No Comments:

Name: Phil Lawton
Organisation: National Grid
Response Provided on behalf of (BSC Parties): National Grid

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes Comments: This proposal would increase transparency by allowing the separation of energy and the associated imbalances.
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	Yes If Yes, which objective(s): Objective (a) No Objective (b) No Objective (c) Yes Objective (d) No Comments:
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes Comments: This answer is based upon the advice given to the CWG and the Modification Group by Elexon.
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes Comments: We can see no justification for discriminating between generation and demand in this respect.
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	N/A Comments:
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	N/A Comments:
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	N/A Comments:

No.	Question	Response
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	N/A Comments:
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes / No If Yes, what limit: Comments: We are not in position to comment on either the restrictions that such a limit would place on market participants, or the costs on the associated systems of having a high limit/no limit
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: • No direct benefit to National Grid • The industry would benefit from greater transparency/price discovery for small players
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	No Comments: The impact of P67 is restricted to the SVA systems
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes Comments: From a charging perspective it is important that these arrangements are confined to operate within GSP groups. This is an important difference between the provisions of P67 and a MVRN in the Central Volume Allocation system.

Name: Libby Glazebrook
Organisation: Edison Mission Energy
Response Provided on behalf of (BSC Parties):

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes Comments:
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the	Yes - Objective (c)

No.	Question	Response
	Transmission Licence. If so, which BSC Objective(s) and how?	
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes Comments:
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes/No
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Yes / No Comments:
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments:
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes / No Comments:
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Yes / No Comments:
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes / No If Yes, what limit: Comments:
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: The proposal will increase the options open to smaller generators which should improve their chances of being able to compete, but this change alone will not offset the difficulties identified in the DTI review.
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes / No Comments:

No.	Question	Response
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes / No Comments:

Name: Philip Russell
Organisation: TXU Europe
Response Provided on behalf of (BSC Parties): 14 TXU BSC Parties

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes to the first part of the question and No to the second part. Comments: The reason for saying No to the second part is that the ability to do this already exists through fixed and percentage MVRNs.
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	No If Yes, which objective(s): Objective (a) No Objective (b) No Objective (c) No Objective (d) No Comments: Given the fudging of treating a –ve allocation as Imports and the unanswered question of whether this is liable for DuoS and TNUoS we do not believe that the proposal is fully worked up.
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	No Comments: This is based on our perspective as a Trading Party / Supplier. We do not opertate any appropriately accredited Supplier Hubs. The cost involved in us procuring such a service last time we enquired were £55k for development with ongoing operational costs.
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes Comments: If P67 were to be implemented it would seem logical to do it for both Exports and Imports. Though if MVRNs work for Exports they will also work for Imports.
5.a	If you are a Supplier, will you be utilising either or both of the additional	No

No.	Question	Response
	optional Allocation Methods proposed for P67?	Comments: If we were asked for this we would create an Additional BM Unit for the LEG(s) and use MVRNs rather than BSCP 550. [It is not technically necessary to create an Additional BM Unit as the reallocation could be done from the Base BM Unit, but for practical reasons we would probably choose to do so.]
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: 0 Comments: N/A
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes / No Comments: N/A
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Yes / No Comments: N/A
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes / No If Yes, what limit: Comments: Does it make any practical difference if there is a limit ?
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: On the basis of evidence available to us today the answer to this is “none” as the required result can be achieved under the current trading arrangements without implementing P67. However more importantly we have never been asked by any LEG to either purchase a fixed quantity or the variable quantity.
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	No Comments: We have said “No” on the basis that the change is not mandatory. We remain of the view that if we were asked to either purchase a fixed volume or take the variable element we would do so via the MVRN functionality.
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes Comments: Implementing P67 in addition to the current functionality of MVRNs could actually complicate matters further rather than make them

No.	Question	Response
		easier for LEGs. In order for P67 to be useful a sufficient number of Suppliers (these sites are in SVA and at present only Suppliers are allowed to register meters in such system) need to be able to use it – i.e have a suitably accredited HHDC. If some suppliers continue to want to use MVRNs and some want to use BSCP 550 then it is plausible that the LEG will still find insufficient willing Suppliers to trade with.

Additional Comments

As regards the drafting for K2.5.9 our initial thoughts are that the alternative form of drafting is more useful as this would avoid the need for the Secondary Supplier to change the MPAN in their own systems and inform the HHDC of the change as well.

If we treat –ve Export as an Import and allocate fixed blocks of Export to Suppliers irrespective of the actual Metered values will the GSP Group Correction Factor calculations still produce the correct numbers ?

Whilst we agree in principle that the same rules should be applicable to Import Metering Systems there are 3 complications from a DB/Supplier perspective;

- the allocation of Capacity to each HH MPAN. Duos is currently billed on the assumption that each MPAN is a Supply Point. This would cease to be true for such sites.
- Reactive energy usage is required for most HH Supply Points either to derive an average power factor for the month which may give rise to reactive power charges and/or to calculate the peak kVA demand for Capacity charging purposes.
- In cases where the Customer took less demand that they had allocated then the Suppliers taking the fixed volumes could end up paying additional DuoS while the residual supplier would be deemed to be exporting – which is currently a zero charge rather than a credit. The end result would be an overcharge of DuoS.

No doubt these issues could be resolved through using 'special' LLFCs but it seems a complicated way of solving the problem when a single Supplier could register the site in SVA, leave the DuoS arrangements unchanged from now and reallocate the credited energy in accordance with the customers wishes using the MVRN functionality.

The converse applies to Export sites in that if the generation is less than the aggregate allocation then the residual Supplier is deemed to be importing even though this "demand" is not being supplied to customers. In order to avoid charging the supplier the DBs will need to create special LLFCs to avoid this problem.

In summary we remain unconvinced that the case for Proposal has been made. As the draft report points out existing functionality exists through which the same objective could be achieved but the report lacks convinction as to why changes should be made to SVA rules to enable the same effect. Even if one lets this pass, to say that the there is a workable solution in the BSC for 1st April 2002 is, at best, optimistic given that no Supplier is likely to be willing to set up the relevant Supplier Hubs when they have no idea how the DuoS arrangements for such sites will work.

Comments on Draft Modification Report

Section Ref	Comment
Section 1.2, Para 1	The first sentence is repeated as the third option later on. It would read slightly better if we just deleted the first two sentences?

Section Ref	Comment
Section 1.2, Para 2	It is not obvious to us what purpose the reference to the NFPA Auction serves – under the terms of the auction the sucessful bidder purchases the rights to 100% of the output – i.e the LEG does not have the discretion to apportion the output.
Section 1.2, Para 3	To say that Option 4 could be implemented by 1st April 2002 is optimistic at best and simply untrue at worst. We agree that the BSC and its associated subsidiary documents could be amended to reflect the new rules by this date. This is not the same as saying that there will be a fully worked solution available for use by LEGs from this date.
Section 1.2, Para 4	This states that the purpose of the Modification is to allow fixed volume sales without becoming a Party to the BSC. Is this actually what the Proposal is seeking as (in the Proposal) reference is made to "any Party wishing to provide this service would need to appoint a HHDC that was appropriately accredited" ? As the legal drafting has been done on the basis that the Supplier(s) are responsible for the submission of the Allocation Schedule then this paragraph needs rewriting to claify that the Proposal is actually about allowing the allocation of energy from a specific MPAN to be performed by the HHDC on the instruction of the Primary Supplier. Once expressed in these terms this begs the question do we really want to have the settlement calculations performed by Party Agents rather than BSC Agents ?
Section 1.3, Para 1	In view of the above it needs to be explained why reallocating via the HHDC is better than reallocating using MVRNs in the BSC Agent system (SAA). Given that the NFPA output is allocated 100% to the Supplier that won the tender process it is not obvious why it is urgent to have this decided for 8th March ?
Section 1.3, Para 5	Last sentence – could we either expand on this (we did not understand what it was saying) or delete it?
Section 3.1, Para 3	Can we clarify / state that the method and form of submission of the Allocation Schedule between the Primary Supplier and the HHDC would be matters outside the BSCPs (i.e bilateral agreements). Also could we claify whether / where the list of suitably accredited HHDCs is published? Last sentence of section says that Entry Processes are out of scope. Would this be better expressed by "As Supplier's are not obliged to test the Shared Supply scenario under the current version of Entry Process Testing it is not proposed that new Suppliers would have to do so"?
Section 3.3, Para 3	To us this is where the problem arises as neither the residual nor the fixed volumes are Imports or Exports as those terms are currently defined in the BSC. They are equivalent to Contract Notifications. Whereas on P55 we agreed the principle that what registration system a Metering system was recorded in was irrelevant in determining what Trading Arrangements were applicable, we are now trying to say that the process of energy allocation is actually different depending on which registration system the metering system details happen to be in. This does not seem very consistent.
Section 3.3, Para 4	The text again refers to Suppliers. For the avoidance of doubt as these Proposals refer to SVA Metering Systems it should be noted that **only** Suppliers can currently register these meters (rather than non Physical Trading Parties / consolidators).
Section 3.3, Para 8	We are not entirely convinced that the DuoS issue is out of scope as we believe that these are Core Industry Documents and as such are affected by the Mod Proposal. Even if they are out of scope of P67 it would still seem sensible to explain the reason that it is an issue in the report, namely that DuoS is billed on the basis of the HHDC data that is submitted to SVA. The way of avoiding it being charged is for the DB to allocate a specific LLFC which has a zero charge. We simply note that if the reallocation is done using MVRNs then this issue simply does not arise and the "problem" does not have to be solved.
Section 4.1	Aside from the repetiion / english of the first sentence, in view of previous comments about the NFPA Auction this para needs editing / rewriting.
Section 4.2,	"present" rather than "presented".

Section Ref	Comment
Para 2	

Name:Bob Nicholson
Organisation:Alcan Smelting and Power UK
Response Provided on behalf of (BSC Parties):

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes / No Yes Comments:
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	Yes / No Yes If Yes, which objective(s): Objective (a) Yes / No Objective (b) Yes / No Objective (c) Yes / No Yes Objective (d) Yes / No Comments:
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes / No Comments:
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes / No Yes Comments: Should be available to both demand and generation
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Yes / No Comments:
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments:
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes / No Comments:
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Yes / No Comments:
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes / No If Yes, what limit: Comments:
9.	What is the potential material benefit of	Comments:

No.	Question	Response
	implementing P67: • on your organisation? • to the industry?	This may provide an alternative form of managing Imbalance for ourselves once developed. This will provide another option to the small generator to handle a difficullt market.
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes / No Yes Comments: Gives another option to consider for trading.
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes / No Comments:

Name: **Paul Jones**
Organisation: **Powergen plc**
Response Provided on behalf of (BSC Parties): **Powergen plc, Powergen Retail Ltd, Diamond Power Generation Ltd, Cottam Development Ltd**

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	Yes If Yes, which objective(s): Objective (a) No Objective (b) No Objective (c) Yes Objective (d) No
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes Comments: Of the various sub options for Option 4, we consider that 4b is the most cost effective way of implementing it.
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Comments: We will utilise the additional allocation methods if the economics of any particular generation scheme make it attractive to do so.

No.	Question	Response
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Not known Comments: Again this is dependent on the economics of particular generation schemes.
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Not applicable.
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Not applicable.
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes If Yes, what limit: 4 Comments: This should ensure the correct balance between providing sufficient suppliers to absorb a small generator's demand and keeping the administration manageable.
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: Again this is dependent on the economics of particular generation schemes.
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes - If we were to take on a site utilising this facility. We have not assessed the likely costs at this moment in time.
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	No

Name: Dave Morton
Organisation: SEEBOARD
Response Provided on behalf of (BSC Parties): SEEBOARD Energy Limited

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable	**Yes** Comments:

No.	Question	Response
	volume) and therefore support the business case for P67?	
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	**Yes** If Yes, which objective(s): Objective (a) **No** Objective (b) **No** Objective (c) **Yes** Objective (d) **No** Comments:
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	**No view** Comments: **There is, at present, no evidence on which to base any view on the cost effectiveness of this modification.**
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	**Yes** Comments: **We know of no reason why this should be one sided.**
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	**Unlikely** Comments:
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments:
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Not Applicable Comments:
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Not Applicable Comments:

No.	Question	Response
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	**No view** If Yes, what limit: Comments:
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: **This modification has little or no value to Seeboard Energy Limited.** **We are uncertain of its value to the industry as a whole.**
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	**Probably No** Comments: **This is a complex modification that appears to only impact those who opt to use its facilities. However, we do use certain software that may need to be amended to make it compliant with these changes. It is not possible to complete a full impact analysis in the time available to be sure of our full associated costs and timescales to implement any changes.**
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	**Yes** Comments: **This modification seems to rely on HHDCs offering quite a complex service.** **Is there any evidence to suggest that any HHDCs will wish to invest and provide this service?** **Will the industry be prepared to pay for this special service?**

Name: Dave Morton
Organisation: SEEBOARD
Response Provided on behalf of (BSC Parties): SEEBOARD Power Networks Limited

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	No Comments: The current capped block method already provides a mechanism to separate predicable energy from unpredictable energy.
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	See individual comments below. If Yes, which objective(s): Objective (a) ~~Yes~~ / No The proposal, as framed, does not appear to affect the Transmission company. Objective (b) ~~Yes~~ / No As per objective (a). Objective (c) Yes / No Objective (d) ~~Yes~~ / No This adds complexity to the administration of balancing and settlement arrangements as well as increasing risks. Comments:
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	No Comments: As a PDSO/SMRS business costs of this solution might be significant. This depends upon the number of sites taking advantage of this option, number of pseudo MPANs created and whether both import and export are included (see below).

No.	Question	Response
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	No Comments: We do not agree with this approach, particularly the Fixed/Multiple Fixed Block methods of allocation. Applying these principles adds significantly to costs that will be incurred by PDSO/SMRS.
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Not Applicable Comments:
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments:

No.	Question	Response
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes Comments: Our HH DUoS Billing system operates on an individual MPAN basis and is driven from LLFC assigned to an MPAN. This means that splitting any import, and potentially export, at a site might require the creation of additional LLFC with the 40 day lead time implied by BSCP528 and the need to make MDD changes. It could also lead to more emergency MDD changes for the industry adding to complexity. It is almost certain that this will require amendment to Connection Agreements (between PDSO and a customer) and Use of System Agreements (between PDSO and all Suppliers involved). These will need to be framed, subject to notice periods and agreed by all parties before effecting the pseudo MPANs. Further, it is likely that the Condition 4 DUoS Charging Statements will need to be revised, these require five months notice of revision. There are no plans to split reactive data, this will result in the reactive kVArh being set against the Primary Suppliers import only. With regard to the comments on "virtual" energy it is worth reminding ourselves that Settlements as a whole operates partially on the principle of "virtual" energy. For example electricity generated on Teeside will not actually be delivered to a customer in Cornwall even if this is what is implied by Settlements. In the case of a fixed block allocation a PDSO is potentially being tasked to deliver energy to a site on behalf of supplier A and to take it away and deliver it to another site on behalf of supplier B. A PDSO should charge accordingly for providing this service. In practical terms a PDSO will not have access to the rules for allocation of energy and so will be unable to identify when this situation is occurring leading to problems in charging.

No.	Question	Response
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Yes Comments: This adds to the complexity of creating and managing pseudo MPANs. It requires manual record keeping as there is no means of linking MPANs together on SMRS. It will not be apparent to the SMRS/Distributor which is the primary MPAN nor how may secondary MPANs exist for a site solely by reference to SMRS. This may be manageable for very small numbers of sites but, would not be appropriate for large number of sites (particularly import sites) or if there were large numbers of suppliers to each site. The cost of creating a set of pseudo MPANs is estimated at £1,200 per site. Similar costs would be incurred each time a further pseudo MPAN was added to an exiting set.
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes If Yes, what limit: Comments: Two, as at present.
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: No benefit whatsoever this only adds to the complexity and cost or running our business.
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes Comments: See above responses to questions 6 and 7. Timescales would be 6 months, but this depends upon contract revisions going smoothly.
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes / No Comments:

Name: Graham Smith
Organisation: Western Power Distribution
Response Provided on behalf of (BSC Parties): Western Power Distribution (South West) & Western Power Distribution (South Wales)

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes / No Comments: As we are not a trading party this modification has no benefit to us. However please see comments for Q 6 to 10
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	Yes / No If Yes, which objective(s): Objective (a) Yes / No Objective (b) Yes / No Objective (c) Yes / No Objective (d) Yes / No Comments:
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes / No Comments:
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes / No Comments:
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Yes / No Comments:
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments:
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes Comments: Primarily there is potentially a significant effect on our use of system billing processes. Please see attached.
7.	If you are a Supplier Meter Registration	No

No.	Question	Response
	Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Comments: This primarily impacts our Distribution Business
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes If Yes, what limit: 9 Comments: We will be required to keep manual records and would prefer if the number of MPANS allocated to a metering system was kept in single figures.
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: There is no benefit to us. Trading parties will potentially benefit
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes Comments: The costs and timescales will depend on how many sites are affected. If the take up of the meter splitting arrangement is low, say less than 20 sites across each of our two GSP group areas, and we can deal with it manually then the cost will be low and we could implement on 1st April 2002. Otherwise it is likely to take several months and an as yet undetermined cost to develop automated processed.
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes / No Comments:

Western Power Distribution

P67 Questionnaire part 6

The present arrangements for shared metering rely on the PDSO maintaining manual records of linked MPANS. Although manually intensive, the low volume of affected sites and the maximum of two potential suppliers registered to each of the import and export systems, have meant this is manageable.

The introduction of additional allocation methods, and the removal of the limit on the number of suppliers registered to each system, will greatly increase the complexity of the manual process. Depending on the take up by Suppliers it is possible that manual record keeping will become untenable.

The additional Allocation Methods create the potential for "virtual" import and export energy. It is not clear how the PDSO will be able to determine, from the dataflow sent by the HHDC, whether energy is real or virtual.

For import MPANS we would need to exclude virtual energy from DUoS charging. The only way this could be achieved would be if particular MPANS were used exclusively to record virtual demand. Any agreed capacity charges would need to be charged to the lead supplier who would have to make their own arrangements to recover any element due from associated Suppliers. Additionally, the apparent absence of an allocation schedule to split reactive meter data will threaten the accuracy of DUoS charges.

For export MPANS we rely on accurate data to manage network load and to monitor totals of power entering our network. The possible introduction of virtual export will complicate this process and, unless virtual exports can be identified, will distort the correct figures.

Overall, although P67 may offer significant benefits for parties wishing to trade imports and exports, it potentially adds an additional level of complexity to the processes and costs of the PDSO. Due to the short timescales allowed for assessment it has not been possible to fully assess or cost problems or potential solutions.

If P67 is approved we would recommend that a relatively low limit is placed both on the number of suppliers that can be registered against each metering system and on the number of such systems within each GSP group that can be subject to these arrangements. It is likely that development work will be needed to provide an automated solution if the modification results in a significant increase in the use of shared metering systems.

Name: **Ian M. Mullins**
Organisation: **BP Gas**
Response Provided on behalf of (BSC Parties): **BP Gas Marketing Ltd, Great Yarmouth Power Ltd, BP Chemicals Ltd**

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	**Yes** / No Comments: *We would like to see P67 extended to CVA.*
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	**Yes** / No If Yes, which objective(s): Objective (a) Yes / **No** Objective (b) Yes / **No** Objective (c) **Yes** / No Objective (d) Yes / **No** Comments: *P67 will only truly facilitate competition when small*

No.	Question	Response
		generators can realise embedded benefits and CCL independently from suppliers. When small generators are able to trade to CVA instead of SVA, this will encourage better deals to small generators from suppliers.
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	**Yes** / No Comments: *Minimum system changes are required.*
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	**Yes** / No Comments: *As alluded to in the response to Question 2, small generators are reliant on negotiations with small pools of suppliers, and so are constrained in their ability to obtain the full embedded benefits and CCL. Small generators will have a wider range of options to obtain these benefits open to them under P67 than are presently available.*
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Yes / No Comments: N/A
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments: N/A
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes / No Comments: N/A
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Yes / No Comments: N/A
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should	Yes / **No** If Yes, what limit:

No.	Question	Response
	be established.	Comments: If a limit on the number of Suppliers were imposed, then this would reduce the number of commercial options available to small generators.
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: *Organisation :* *No material impact.* *Industry :* *Unless P67 is accompanied by further reforms for small generators (i.e. embedded benefit and CCL), there is unlikely to be significant impact on small generators. Without these reforms, it is likely that the variable element of the energy will approach the current SSP, or SBP if the flow is negative, and so the total energy prices will not be much in excess of today's prices.*
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes / **No** Comments: N/A
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	**Yes** / No Comments: *Elexon should highlight to the DTI and Ofgem that P67 is unlikely to have a material impact on small generators unless small generators can capture embedded benefits and CCL independently of Suppliers. The realistic and economic option of trading in CVA will pressurise Suppliers to give small generators a fair market price through P67, or current SVA methodology.*

Name: Liz Anderson. Energy Strategy & Regulation Manager
Organisation: LE Group
Response Provided on behalf of (BSC Parties): London Electricity plc, SWEB Ltd, Jade Power Generation Ltd and Sutton Bridge Power Ltd.

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes Comments: We would temper our "yes", buy saying that it is not immediately apparent that the sum of the parts will create more value than the export taken as a whole.

No.	Question	Response
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	Yes / No If Yes, which objective(s): Objective (a) Yes / No Objective (b) Yes / No Objective (c) We think the balance is towards "Yes" Objective (d) We think the balance is towards "No", as further complexity and scope for errors would be added. However, we would not wish you to give much weight to this Comments: If it is felt that P67 gives more opportunities for the sale of the output of LEGs, then we would agree that competition should be enhanced.
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes / No Comments: We are happy to take Elexon's guidance on this.
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes Comments:
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Yes / No Comments: If LEGs approach us and ask for these allocation methods, then we will seek to accommodate them.
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments:
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes / No Comments: Not that we have seen in the time available
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Yes / No Comments: Not that we have seen in the time available
8.	Do you believe that there should be a	Yes

No.	Question	Response
	limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	If Yes, what limit: We would suggest a round number of 10. Comments:
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: We are uncertain that there will be an overall benefit.
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes Comments: We are concerned about the potential impact on DUoS validations if data for some MPANs in a bill is 'virtual' (see para. 3.5.2, page 12 of 20 in the 'Modification P67 Requirements Specification). If the 'virtual' energy is 'export', Distributors would not normally charge for such energy but if the 'virtual' energy is 'import', a charge may be made which should not be applicable. We may need to incorporate some form of checking to ensure that Distributors are billing correctly when Shared SVA Meter Arrangements are in operation. We have not been able to carry out an assessment of the cost and time required.
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes Comments: This is not relevant to the BSC processes, but needs to be thought through by Ofgem. ROCs and LECs may be generated as well as energy - if the variable element is negative, then LECs and ROCs should not be issued. Ofgem's procedures, as currently envisaged would not pick this up – they would be dependent on the generator to tell them. This could expose the counterparty for the fixed volume to a considerable risk - they could have purchased LECs and ROCs that are subsequently found to be invalid. This could therefore dramatically erode the value of the fixed output. Thus the LEG could end up no better off after this mod. In order to protect both the LEG and suppliers, Ofgem need to design their ROC and LEC processes with appropriate functionality.

Name: Ben Willis
Organisation: Innogy plc
Response Provided on behalf of (BSC Parties):
Innogy, 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.

Introductory Explanation:

Whilst this modification seeks to implement the Specials Expert Group recommendations for Licence Exempt Generators, it cannot deliver the recommendation that the variable energy be traded within CVA and the non-variable be traded within SVA. Neither can it fulfil the recommendation that the Consolidator role should not require a Supply Licence.

Modification Proposal 67 was raised before the publication of the Authority decision on P7, which no longer limits the number of supplier BM Units to one per Trading Unit. As such neither the CWG nor the P67 Modification Group considered the full implications of P7 implementation upon the implementation options for 'Option 4'. Since the proposed implementation date for P67 is after that of P7, there should be a fifth option listed within 1.2 of the Modification Report:

- Method (e) – Split and allocate metered volumes at Central Volume Allocation Agent

The required P67 Option 4b functionality can be replicated using P7 and other current functionality within the BSC. Not only is this possible, but the existing functionality can also deliver the recommended CVA / SVA split, as well as allowing pure consolidators to enter the market without the requirement of a Supply licence. It is noteworthy that, although the Modification Report states that P67 "…will allow consolidation services to develop to the extent envisaged originally under NETA" (paragraph 1.3), this is not strictly true. P67 still requires a consolidator to be the holder of a Supply Licence, since the consolidator, as registrant of the relevant metering system, is responsible for the volumes that flow through those meters. The original intention was that consolidators should be able to operate within the BSC without the requirement of a Supply Licence. P67 does not fulfil this intention.

P67 seeks to deliver the same trading options for sub-BM Unit level sites as for BM Units themselves, i.e. the trading of fixed and variable volumes of energy, without the loss of the embedded benefits associated with that energy or the need to transfer the whole site into the CVA trading arrangements. Through the use of an Additional Supplier BM Unit, a single site can be registered into a single BM Unit and the energy from that site can then be split into fixed and variable portions as required through the use of Meter Volume Reallocations (MVRNs). Consequently, a Consolidator can purchase the variable output from a site within CVA without the requirement of holding a Supply Licence, whilst the fixed element can be sold out or retained as the registrant sees fit.

Through the use of P7, the embedded benefits accruing to the site can then be utilised by the suppliers with the Trading Unit containing the Additional Supplier BM Unit, in accordance with NGC's Use of System Charging Methodology Statement.

Consequently, P67 does not add any functionality that does not already exist within the Balancing & Settlement Code as it stands post-P7, whilst still requiring material changes to the MRA and DUoS agreements, and therefore does meet any of the relevant objectives.

Ben Willis

Here are our responses to the specific questions raised in the consultation:

No.	Question	Response
1.	Do you agree with the principles behind P67 i.e. That predictable energy (i.e. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	**Yes & No** Comments: It is true that the variable and non-variable portions of sites' output will command different values within the market. Until these volumes are available to the market as separate product, we will not know whether the single product or the combination of split products commands the higher value. However, since the relevant functionality will exist within the BSC post P7, this does not support the business case for P67.
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence? If so, which BSC Objective(s) and how?	**No** If Yes, which objective(s): Objective (a) No Objective (b) No Objective (c) No Objective (d) No Comments: P67 was raise before the Authority decision on P7. Since that decision, P67 simply replicates functionality that will exist within the BSC after 28th February '02 (see the introductory explanation).
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	No Comments: As stated previously, P67 does not add any functionality that will not exist within the BSC after 28th February '02 (see the introductory explanation).
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes Comments: We agree that the solution should be non-discriminatory. It should be noted that post-P7 BSC functionality will not discriminate between generation and demand.

No.	Question	Response
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Neither Comments: The post-P7 functionality of the BSC will allow these allocations at ~~a~~ much lower cost.
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: N/A Comments: N/A
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	N/A Comments: N/A
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	N/A Comments: N/A
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	No If Yes, what limit: N/A Comments: The post-P7 BSC functionality is already built to handle very complex volume reallocations between multiple parties.
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: Organisation – The proposed functionality already exists. The introduction of this mod does not appear to give us scope to offer additional products to our customers. Industry – None, for reasons details above.
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes Comments: The adoption of this mod would result in additional cost without providing additional benefit to market participants.
11.	Does P67 raise any other issues that should be considered as part of the	Yes

No.	Question	Response
	Urgent Modification Procedure?	Comments: The Modifications Group should meet again to re-address the solution to this modification, in the full light of the Authority's decision on modification P7. It is noteworthy that the P7 decision was published the day before the meeting of the Modifications Group, and after the last meeting of the Consolidation Working Group. As it currently stands, the Modification Report recommendation on P67 is not being made against the enduring systems and legal drafting of the BSC, which is known now, but a against a version that will be obsolete as of the 28th February, 10 days before the proposed P67 implementation date of 8th March.

Given all the above, our conclusions are that either:
- the Urgent Modification Report should NOT be presented to the Panel in its current form,
- the Modifications Group should meet and discuss the issues raised by this consultation and
- the adjusted Modification Report can then be presented to the Panel, in the knowledge that all issues have been considered.

Or:
- the Urgent Modification be presented in its current form,
- the Panel then send the Modification back to the Modification Group, since the Group will not have considered all the issues surrounding this Modification
- an adjusted Modification Report can then be re-presented to the Panel, in the knowledge that all issues have been considered.

It is worth noting that, since this is an Urgent Modification, times-scales are not confined to those set out in Section F of the BSC. Even with an additional Modifications Group meeting, it should be possible for the Panel to make an informed recommendation to the Authority by the intended date of the 18th February 2002.

Ben Willis
7th February 2002.

Name: Garth Graham
Organisation: Scottish and Southern Energy
Response Provided on behalf of (BSC Parties): Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd. and SSE Energy Supply Ltd

From: Garth Graham[SMTP:garth.graham@scottish-southern.co.uk]
Sent: 07 February 2002 12:42
To: ELEXON-Modifications
Subject: P67 Urgent Consultation Response

Dear Sirs,

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 1st February 2002, and the associated Urgent Modification Report, concerning Modification Proposal P67; we have the following comments to make.

Q1 Do you agree with the principles behind P67 i.e. that predictable energy (i.e. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?

We are concerned that proceeding with this Modification in such haste may cause significant implementation problems for the industry, in particular with reference to the MRASCo implications and the effect on DUoS. We are also concerned that there appears to be no protection for those other Suppliers in a GSP who could be affected by a problem with the 'Active Energy Suppliers'.

Q2 Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective (s) and how?

Not Clear.

Q3 Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?

Not clear.

Q4 The solution developed for P67 applies to both generation and demand. Do you agree with this approach?
Yes

Q5 (a) If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?

Q5 (b) If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?

Q6 If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?

We are deeply concerned that the impact on DUoS has not need addressed and we would strongly recommend that the Panel actively seek the views of the Distribution Commercial Group prior to proceeding with this Modification.

Q7 If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?

Q8 Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.

One. We do not think, at the outset of this Modification, there should be multiple Suppliers taking fixed amounts of Active Energy. To use an analogue - KIS: Keep It Simple - we think the Fixed Block Method should initially be adopted, rather than the Multiple Fixed Block Method. The market currently operates on the basis of a Primary and Secondary Supplier; i.e. limited to just two 'parties'. We believe there is merit in continuing with this principle, in the short to medium term, with the Primary Supplier being responsible for the fixed element of the Active Energy and the Secondary Supplier being responsible for the variable element. If there is any differences or problems arising from the adoption of this Modification, then it should be 'easy' to identify which Supplier is responsible. If at a later date, following a period of operational experience with this Modification having been in effect, it is

determined that there would be merit in moving to the Multiple Fixed Block Method then a subsequent Modification can be raised.

Q9 What is the potential material benefit of implementing P67:

on your organisation?
to the industry?

It is not certain that there is any measurable benefit from this Modification and furthermore the cost effectiveness of the Modification is also unclear.

Q10 If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?

The short timescales for this proposed Modification have not allowed sufficient time to carry out as full and detailed assessment as we would like. It appears that we could use a semi -manual solution but we would need time to check the details and test it. This change will not be agreed until 14th February which would give three weeks for implementation. Such a short timescale greatly increases the risk and cost implications. The earliest we would like this to be implemented is August 2002.

Q11 Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?

We would refer you to our answer to Question 1.

Regards

Garth Graham
Scottish & Southern Energy plc

Name: Rekha Patel
Organisation: Dynegy
Response Provided on behalf of (BSC Parties):

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	**Yes** / No Comments: **It is vital for the survival of exempt generating plants, under the NETA framework, to be able to split its energy into predictable and unpredictable energy.**
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	**Yes** / No If Yes, which objective(s): Objective (a) Yes / No Objective (b) Yes / No **Objective (c)** **Yes** / No

No.	Question	Response
		Objective (d) Yes / No Comments: **P67 facilitates embedded generators with a greater choice regarding whom to sell its output to.**
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	**Yes** / No Comments: **The CWG paper has clearly established that P67 is the most cost-effective means of implementing Option 4.**
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	**Yes** / No Comments: **P67 is capable of being applied to both generation and demand.**
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	**Yes** / No Comments: **It is important to incorporate flexibility and choice where possible. The percentage method and block method should both be available.**
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments: **At present, Dynegy is not an active consolidator and therefore can not state how many potential sites will be affected.**
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes / No Comments: **N/A**
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Yes / No Comments: **N/A**
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes / **No** If Yes, what limit: Comments: **A limit should only be considered if there is the potential of system/data flow problems with the implementation of an unlimited quantity of suppliers.**
9.	What is the potential material benefit of implementing P67:	Comments: Organisation: **P67 facilitates the option of**

No.	Question	Response
	• on your organisation? • to the industry?	**Dynegy becoming a consolidator, if it so wishes.** Industry: **Competition created through embedded generators being able to contract with numerous suppliers.**
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes / **No** Comments:
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes **/ No** Comments:

Name: Man Kwong Liu
Organisation: Calanais Ltd.
Response Provided on behalf of (BSC Parties): For and on behalf of: - ScottishPower UK Plc.; SP Manweb Plc.; ScottishPower Energy Trading Ltd.; ScottishPower Generation Ltd.; Scottish Power Energy Retail Ltd.; Emerald Power Generation Ltd.; SP Transmission Ltd.

With reference to the above, the whole of ScottishPower Group would offer our support to the proposed modification and its implementation timescales subject to the comments we have made (attached) particularly regarding import sites . We believe it betters the Applicable Objectives of the BSC. I have therefore attached the consultation response for your consideration.

Regards
Man Kwong Liu

Design Authority, Deregulation Services, Calanais Ltd. for ScottishPower/Manweb

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes Comments: This proposal provides an additional degree of flexibility to embedded generators in how they wish to sell their output. It also allows for the development of consolidation services. However, the extension to all HH sites, including import sites, would be problematic for Distribution businesses.

No.	Question	Response
2	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	Yes If Yes, which objective(s): Objective (a) Objective (b) Objective (c) Yes Objective (d) Comments: The processes outlined should lead to further development of liquidity in trading. However, also refer to our answer on question 4 regarding import sites.
3	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes Comments: This solution provides for the least change to processes and appears to be the most cost-effective method for settlement and registration systems. However, Distribution Business costs associated with these changes, particularly for import sites, could be significant, according to the number of sites taking advantage of these new features.

No.	Question	Response
4	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	No Comments: The splitting of import according to aggregation rules creates problems for Distributors because: • Changes are needed to connection agreements if capacities and technical conditions (reactive power constraints etc.) need to be split across MSIDs • Changes are needed to use of system agreements to incorporate new charging rules • Changes are needed to DUoS billing systems to cater for splitting of existing sites between two (or more) MSIDs • New billing rules etc to be incorporated into Condition 4 licence statements • No plans to split reactive data, but DUoS charges may be based on kVA calculated from kW and kVAr readings. We will be using kW and kVAr readings that are incompatible. For the Suppliers: The DUoS billing issue mentioned above will also affect Suppliers if they are not addressed. The Suppliers of any "split" import MPANs will have difficulty verifying data and the corresponding DUoS invoices unless the Distributor issues are addressed. Yes for generation, as while some of the above changes also apply to generation sites, the additional costs incurred by distributors in facilitating competition in generation can be justified, in view of the smaller number of sites and smaller impact on billing system changes involved if only generation sites are included in this modification.
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Yes Comments: We would be willing to consider the various additional options available.
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: required further assessment. Comments:

No.	Question	Response
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes Comments: Please note our comments on import sites.
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Yes Comments: • Manual recording systems always bring greater risk of error. • It will not be apparent to the distributor (except via manual records) which is the primary MPAN at a site.
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	No, in theory. If Yes, what limit: Comments: But in practice, 6 per site would be sensible.
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: For the industry, there is the potential for Wind Generation to be economically traded in NETA by mitigating the effects of Imbalance charging on wind generation energy sales.
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes Comments: Impact is not significant and Timescales could be met on HHDC. For PDSO:- • Cost if generation only - additional administrative effort, probably in £10,000s but not £100,000s. The timescales could be met. • Cost if import too: - billing system changes could be £m - connection agreements could be £10,000s - £100,000s depending on number of sites affected. - manual recording £10,000s - £100,000s depending on numbers. If numbers high, system changes £100,000s to £ms. - cost of amending DUoS agreements and Condition 4 Statements £10,000s - £100,000s but if changes considered material, may require Ofgem approval and hence delays could be encountered making implementation in March 2002 difficult.

No.	Question	Response
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes Comments: Aggregation options 3 and 4 use the concept of virtual energy. The plan is to send data flows showing virtual HH readings rather than actual site readings. This corruption of data integrity is of major concern and needs to be considered more widely before decisions on aggregation at import sites is approved. These are not within the scope of the current modification, which aims to facilitate consolidation services. These do not require the transfer of virtual energy from import to export MPANs or vice versa.
	Legal drafting Comments	1) Sec. K 2.5.6 (c) and K 2.5.7(b) - replace "the Secondary Supplier" with "that Secondary Supplier" as it just reads better. 2) Sec. K 2.5.9 (a) (ii) – there are two options for the drafting set out in square brackets. Our preference is for the first option as it is more consistent with what has gone before, i.e. a Secondary Supplier is chosen to replace a Primary Supplier and, under this option, would take over the SVA Metering System Number(s) of the Primary Supplier while having its own disconnected. This is preferable to option two - the SVA Metering System Number(s) of the Primary Supplier are disconnected but the changeover of the Secondary Supplier into the Primary Supplier appears to take place outwith the systems process.

Annex 2B – Representations to Detailed Level Impact Assessment

Carried out by	Approve	Reject	Comments
Electricity Direct (UK) Limited	✓		
Northern Electric Distribution and Yorkshire Electricity Distribution.	✓		
TXU			No impact
National Grid	✓		Refer to consultation response
SEEBOARD			
Invensys			No impact
Western Power Distribution			
NPower			Refer to consultation response
GPU Power			
Siemens Metering Datacare (Ruddington - Nottingham)			No impact
Calanais Ltd. ScottishPower Manweb	✓		In addition refer to consultation response.

Below are the detailed responses to the DLIA.

Name: Gareth Swales
Organisation: Electricity Direct (UK) Limited
Response Provided on behalf of (BSC Parties): Electricity Direct (UK) Limited

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes Comments: From the options presented this is the most suitable way of developing. This will be good for the predictable Renewables but may have a detrimental effect towards the like of wind power. This may cause lower than market prices for the unpredictable sources.

No.	Question	Response
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	Yes / No If Yes, which objective(s): Objective (a) Yes / No Objective (b) Yes / No Objective (c) No Objective (d) Yes / No Comments: c, it is another hurdle overcome and a step in the right direction but it still does not promote healthy competition for all LEGs. It does, however, assist suppliers
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes Comments:
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes Comments:
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Maybe Comments:
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments:
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes / No na Comments:
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Yes / No na Comments:

No.	Question	Response
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	No If Yes, what limit: Comments: Putting a limit on it will put restrictions on fairness and competition. If there is a large GC in a given GSP, only a limited number of 'players would be able to take advantage. Participants may only want to have a small share in GSP groups and by restricting the numbers they may not be authorized.
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: It may allow us to take advantage of embedded benefits that were otherwise not available to us. To the Industry; it will help with the attractiveness of certain predictable embedded supplies (although may negate unpredictable sources).
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes Comments: Should not have a great impact.
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	No Comments: To promote a sustainable and competitive future all types of Renewables should be able to compete on a level playing field. Further analysis should be set up to look at the 'Variable amounts' as these will not be market competitive.

Name: Brian Nichol
Organisation: Northern Electric Distribution Ltd (NEDL)
Response Provided on behalf of (BSC Parties): NEDL and Yorkshire Electricity Distribution

No.	**Question**	**Response**
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	*Yes* Comments: *However, we do have serious concerns that PDSO's are being expected incur additional costs in order to solve a pronlem that is really a Settlements problem involving Generators and Suppliers, but which is of no tangible benefit to PDSO's.*
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in	*No opinion*

No.	Question	Response
	paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	If Yes, which objective(s): Objective (a) Yes / No Objective (b) Yes / No Objective (c) Yes / No Objective (d) Yes / No Comments:
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	*No* Comments: *We believe that an unlimited number of Secondary Suppliers will pose a significant risk to the Settlements process.* *We believe that for a period of a year, the number of Secondary Suppliers should be restricted to 1. After a year of satisfactory operation, the number could be increased progressively to an absolute limit of 9.*
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	*No* Comments: *We do not agree that there is any requirement for this technique to be used for Demand sites.* *We believe that it should be restricted to Export sites only, and in particular Licence Exempt Generator sites, for a period of at least 1 year.*
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	*Not applicable* Comments:
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	*Not applicable* Comments:
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	*Yes* Comments: *1. We believe that PDSO's should be able to charge participating Suppliers for the additional costs that*

No.	Question	Response
		will be incurred by them because of this procedure regarding the creation of pseudo MPANs and the recording of the relationship between them, and that this income should be classed by Ofgem as 'exempt'. *2. We believe there are issues surrounding 'Use of System Agreements' that have not been addressed by the papers.* *3. We believe that additional work is required regarding which values for Line Loss Factors (and LLF Classes) should be applied to pseudo MPANs.* *4. We believe PDSO's will need to introduce additional control procedures into their DUoS Billing systems in order to avoid erroneous billing on pseudo-energy, and that they should be compensated for the additional costs incurred.* *5. We believe there may be issues regarding a defaulting supplier that have not been fully thought through (e.g. similar to SoLR).*
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	*Yes* Comments: *1. We are strongly opposed to an unlimited number of pseudo MPANs being permissible. We believe that the absolute maximum should be 9 per site. We also believe that for the first year, a temporary restriction should apply so that only 1 secondary supplier can exist (hence only 1 pseudo MPAN). This is to give the concept of pseudo energy time to be proven.* *2. We do not believe that there should be more than 1 pseudo MPAN for the import side of a site, as we believe that all that is required is 1 Main Import MPAN plus 1 Variable (pseudo) Import MPAN.* *3. There are some errors in the workflow diagrams in BSCP550 in section 2.6 (De-energisation) regarding advising SMRA of "planned" dates.* *4. The cost of adapting our systems and procedures to record and validate the relationship between the Primary and Secondary MPANs will be of the order of £50,000 and we believe that we should be entitled to recover these costs from suppliers.*
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should	*Yes* If Yes, what limit:

No.	Question	Response
	be established.	Comments: *For the first year of operation, the limit should be 1 secondary supplier, per site. If the concept works correctly, the limit could be cautiously extended.* *However, we believe that there should always be a maximum of 9 pseudo MPANs for all sites. This would facilitate 1 Primary Supplier, 8 Secondary Suppliers plus 1 Variable Supplier, which should be enough for all sub-50 MW generators.*
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: *1. No benefit* *2. For others to decide*
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	*Yes* Comments: *The initial setup cost is of the order of £50,000. Annual running costs will depend on the number of sites involved and the number of participating Suppliers.* *The timescale for a full solution is 6 months. However if a limit of 1 pseudo MPAN is initially applied, then it will be possible to do this from 8th March by using manual procedures.*
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	*Yes* Comments: *1. Consideration needs to be given to DUoS Agreements and whether a Secondary Supplier can register for a pseudo MPAN if he does not have a DUoS Agreement with the PDSO.* *2. The de-energisation, de-registration and disconnection process needs some more detailed thought.* *3.The impact of transferring sites from SVA to CRA and possibly back again needs to be considered.*

Name: Phil Lawton
Organisation: National Grid
Response Provided on behalf of (BSC Parties): National Grid

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes Comments: This proposal would increase transparency by allowing the separation of energy and the associated imbalances.
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	Yes If Yes, which objective(s): Objective (a) No Objective (b) No Objective (c) Yes Objective (d) No Comments:
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes Comments: This answer is based upon the advice given to the CWG and the Modification Group by Elexon.
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes Comments: We can see no justification for discriminating between generation and demand in this respect.
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	N/A Comments:
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	N/A Comments:
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	N/A Comments:

No.	Question	Response
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	N/A Comments:
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes / No If Yes, what limit: Comments: We are not in position to comment on either the restrictions that such a limit would place on market participants, or the costs on the associated systems of having a high limit/no limit
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	Comments: • No direct benefit to National Grid • The industry would benefit from greater transparency/price discovery for small players
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	No Comments: The impact of P67 is restricted to the SVA systems
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes Comments: From a charging perspective it is important that these arrangements are confined to operate within GSP groups. This is an important difference between the provisions of P67 and a MVRN in the Central Volume Allocation system.

Name: **Dave Morton**
BCA/PACA
Organisation: **SEEBOARD**
Date: **7th February 2002**

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Supplier view on this issue is that this is very complicated and it is impossible to be sure of all impacts on us within these timescales. It should be noted that at this point in time we do not believe that these facilities would be of use to our company. However, we are unsure if systems will require changing even if we do not intend to use those facilities offered by this modification.

Distribution view is that this change will only lead to additional costs with no benefits. Current capped block method already provides a mechanism to separate predicable energy from unpredictable energy that we feel is sufficient for the majority of industry. Our HH DUoS Billing system operates on an individual MPAN basis and is driven from LLFC assigned to an MPAN. This means that splitting any import, and potentially export, at a site might require the creation of additional LLFC with the 40 day lead time implied by BSCP528 and the need to make MDD changes. It could also lead to more

emergency MDD changes for the industry adding to complexity. It is almost certain that this will require amendment to Connection Agreements (between PDSO and the customer) and the Use of System Agreements (between PDSO and all Suppliers involved). These will need to be framed, subject to notice periods and agreed by all parties before effecting the pseudo MPANs. Further, it is likely that the Condition 4 DUoS Charging Statements will need to be revised, these require five months notice of revision. There are no plans to split reactive data, this will result in the reactive kVArh being set against the Primary Suppliers import only. With regard to the comments on "virtual" energy it is worth reminding ourselves that Settlements as a whole operates partially on the principle of "virtual" energy. For example electricity generated on Teeside will not actually be delivered to a customer in Cornwall even if this is what is implied by Settlements. In the case of a fixed block allocation a PDSO is potentially being tasked to deliver energy to a site on behalf of supplier A and to take it away and deliver it to another site on behalf of supplier B. A PDSO should charge accordingly for providing this service. In practical terms a PDSO will not have access to the rules for allocation of energy and so will be unable to identify when this situation is occurring leading to problems in charging.

SMRS view is that this adds to the complexity of creating and managing pseudo MPANs. It requires manual record keeping, as there is no means of linking MPANs together on SMRS. It will not be apparent to the SMRS/Distributor which is the primary MPAN nor how may secondary MPANs exist for a site solely by reference to SMRS. This may be manageable for very small numbers of sites but, would not be appropriate for large number of sites (particularly import sites) or if there were large numbers of suppliers to each site. The cost of creating a set of pseudo MPANs is estimated at £1,200 per site. Similar costs would be incurred each time a further pseudo MPAN was added to an exiting set.

Name: **Jonathan Griggs**
PACA*
Organisation: **IMSERV**
Date: **7/2/2002**

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Imserv does not currently provide Dual Supply Trading functionality within its HHDC systems. There are currently no plans to provide it or multi supplier trading functionality and therefore there will be no impact of this change on IMServ. IMServ is therefore neutral in respect to CPC00110

Name: Graham Smith
Organisation: Western Power Distribution
Response Provided on behalf of (BSC Parties): Western Power Distribution (South West) & Western Power Distribution (South Wales)

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes / No Comments: As we are not a trading party this modification has no benefit to us. However please see comments for Q 6 to 10
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC	Yes / No If Yes, which objective(s): Objective (a) Yes / No

No.	Question	Response
	Objective(s) and how?	Objective (b) Yes / No Objective (c) Yes / No Objective (d) Yes / No Comments:
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	Yes / No Comments:
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	Yes / No Comments:
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	Yes / No Comments:
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	Number of Potential Sites: Comments:
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes Comments: Primarily there is potentially a significant effect on our use of system billing processes. Please see attached.
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	No Comments: This primarily impacts our Distribution Business
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes If Yes, what limit: 9 Comments: We will be required to keep manual records and would prefer if the number of MPANS allocated to a metering system was kept in single figures.
9.	What is the potential material benefit of implementing P67:	Comments:

No.	Question	Response
	• on your organisation? • to the industry?	There is no benefit to us. Trading parties will potentially benefit
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes Comments: The costs and timescales will depend on how many sites are affected. If the take up of the meter splitting arrangement is low, say less than 20 sites across each of our two GSP group areas, and we can deal with it manually then the cost will be low and we could implement on 1st April 2002. Otherwise it is likely to take several months and an as yet undetermined cost to develop automated processed.
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes / No Comments:

P67 Questionnaire part 6

The present arrangements for shared metering rely on the PDSO maintaining manual records of linked MPANS. Although manually intensive, the low volume of affected sites and the maximum of two potential suppliers registered to each of the import and export systems, have meant this is manageable.

The introduction of additional allocation methods, and the removal of the limit on the number of suppliers registered to each system, will greatly increase the complexity of the manual process. Depending on the take up by Suppliers it is possible that manual record keeping will become untenable.

The additional Allocation Methods create the potential for “virtual” import and export energy. It is not clear how the PDSO will be able to determine, from the dataflow sent by the HHDC, whether energy is real or virtual.

For import MPANS we would need to exclude virtual energy from DUoS charging. The only way this could be achieved would be if particular MPANS were used exclusively to record virtual demand. Any agreed capacity charges would need to be charged to the lead supplier who would have to make their own arrangements to recover any element due from associated Suppliers. Additionally, the apparent absence of an allocation schedule to split reactive meter data will threaten the accuracy of DUoS charges.

For export MPANS we rely on accurate data to manage network load and to monitor totals of power entering our network. The possible introduction of virtual export will complicate this process and, unless virtual exports can be identified, will distort the correct figures.

Overall, although P67 may offer significant benefits for parties wishing to trade imports and exports, it potentially adds an additional level of complexity to the processes and costs of the PDSO. Due to the short timescales allowed for assessment it has not been possible to fully assess or cost problems or potential solutions.

If P67 is approved we would recommend that a relatively low limit is placed both on the number of suppliers that can be registered against each metering system and on the number of such systems within each GSP group that can be subject to these arrangements. It is likely that development work will be needed to provide an automated solution if the modification results in a significant increase in the use of shared metering systems.

Name: Ben Willis
Organisation: Innogy plc
Response Provided on behalf of (BSC Parties):
Innogy, 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.

Refer to comments provided to consultation.

Name: Craig Finn
Organisation: GPU Power Networks (UK) plc
Response Provided on behalf of (BSC Parties): GPU Power Networks (UK) plc, PDSO

No.	Question	Response
1.	Do you agree with the principles behind P67 ie. that predictable energy (ie. a fixed volume) should be separable from the unpredictable energy (variable volume) and therefore support the business case for P67?	Yes, if it is not to the detriment of PDSOs either commercially or in terms of safety of our network.
2.	Do you believe that P67 better facilitates the achievement of Applicable BSC Objectives, as are set out in paragraph 3 of Condition C3 of the Transmission Licence. If so, which BSC Objective(s) and how?	No comment.
3.	Do you believe that the solution developed for P67 is the most cost-effective way of implementing Option 4?	No comment
4.	The solution developed for P67 applies to both generation and demand. Do you agree with this approach?	No. PDSOs have a need to know an individual site's true import and export measured in kVA. This is to enable an accurate UoS capacity charge for a customer, as it is based on the maximum import demand. It is also required for network load planning to ensure that load on the network is managed safely and in a controlled way. Providing data for active energy only, split between primary and pseudo MSIDs, means that this information will not be available.

No.	Question	Response
5.a	If you are a Supplier, will you be utilising either or both of the additional optional Allocation Methods proposed for P67?	N/A
5.b	If you are a Supplier and intending to utilise either or both of the additional optional Allocation Methods proposed for P67 how many potential sites will be affected?	N/A
6.	If you are a Public Distribution System Operator (PDSO), are there are any additional issues affecting the PDSO as a result of P67?	Yes. The implementation of P67, in it's current form would make the accurate billing of UoS charges for both primary Suppliers and all associated secondary Suppliers impossible. We propose that the HHDC sends data to PDSOs such that volume allocated by them to the primary Supplier is the **total** consumption (including reactive data) at site/customer level, as opposed to carving the data between the primary and associated pseudo MSIDs. This suggestion relates **only** to data sent to PDSOs and not data submitted to Suppliers/HHDAs. Reasons: 1. P67 does not consider how capacity (kVA) is charged, clearly because it is outside the scope of the BSC. However, capacity cannot be billed via primary and secondary suppliers (if P67 is implemented in it's current form) as the true customer demand will not be known. 2. PDSOs need to know a site's true demand so that load on the network is managed safely and in a controlled way. 3. It is a requirement of the Distribution Use of System Agreements that Suppliers provide metering data to enable PDSOs to both calculate UoS charges and for use in the operation and planning of the Distribution System. Failure to supply such data will place Suppliers in breach of their UoSA.

No.	Question	Response
7.	If you are a Supplier Meter Registration Agent (SMRA), are there are any additional issues affecting the SMRA as a result of P67?	Yes Registration systems do not currently have functionality that would enable the maintenance of a relationship between MSIDs. The implementation of such functionality will not come without associated cost and lead-time. We believe it essential that pseudo MSIDs are easily recognisable to the industry for many reasons – including the avoidance of potential for erroneous transfer – so propose that the MTC is used as a means to identify pseudo MSIDs. E.g. MTC 999 could be utilised. Also, the creation of pseudo MSIDs will be a manual, labour intensive process. This process will be undertaken at a cost to PDSOs. For that reason, we propose that the number of pseudo MSIDs associated with a primary MSID be limited. This would also make the maintenance and tracking of relationships between MSIDs far easier to manage.
8.	Do you believe that there should be a limit on the number of Suppliers who could participate in the Multiple Fixed Block Method? If so, what limit should be established.	Yes. See answer to question 7.
9.	What is the potential material benefit of implementing P67: • on your organisation? • to the industry?	There is no material benefit to PDSOs. This change will introduce manual processes and possible IT system changes to our organisation at a cost and for no material benefit. It will also create difficulties, if not impossibilities in respect of accurate UoS billing.
10.	If P67 were to be implemented, does it impact your organisation? If so, what are the associated costs and timescales?	Yes. There is an impact on us both in terms of cost (definitely) and timescales (potentially). We have been given insufficient time to commit to a detailed impact analysis, but initial high level estimates for IT development and implementation indicate costs in excess of £30,000.
11.	Does P67 raise any other issues that should be considered as part of the Urgent Modification Procedure?	Yes - The submission of data from HHDCs to PDSOs in the circumstances of shared SVA metering. Please see response to Question 6. There are also a number of inaccuracies in the latest version of BSCP550.

Name: **Lina Shah**
BCA/PACA*
Organisation: **Siemens Metering Datacare (Ruddington – Nottingham)**
Date: **7/02/02**

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Siemens Metering Datacare will not be implementing this proposed change, therefore there is no impact to S98 or the Business.

Name: **Man Kwong Liu**
BCA/PACA* **BCA**
Organisation: **Calanais Ltd for and on behalf of ScottishPower/Manweb**
Date: **7/2/02**

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Comments:

- Please note our response on P67 to Modification at Elexon (attached proforma). Our comments below assume our expectation of the implementation requirement for P67 (i.e. export sites only).
  - We support the changes and timescales for implementation as per our comments on P67.
  - There are minor impacts on our systems, but we could make the timescales as assumed above.

Please find below our comments on the documentation changes:-

BSCP531 - workflow diagrams are unreadable
The following points relate to BSCP550:
Section 1.2, 7th paragraph - change "...provided to the HHDC by to Gate Closure..." to "...provided to the HHDC by Gate Closure..."
Section 1.3, 3rd paragraph - remove the comma after "... the Primary Supplier will be the single Party...".
Section 1.3, 4th paragraph - should "method" have a capital "M"?
Section 1.3, 1st bullet point - remove "...or alternatively".
Section 2, general comment. Reference should be made to the creation of Import and Export MPANs for the Variable Supplier participating in a Multiple Fixed Block Method Allocation in order to allow the residual energy to be allocated correctly for both positive and negative allocations.
Section 2.1, boxes 3.1.13 and 3.1.14 should appear after 3.1.15 and 3.1.16. It is not possible for our agent systems to process a new appointment before the old one has been terminated.
Section 2.1, box 3.1.17 is not necessary and should be removed. This is already covered by 3.1.16.
Section 2.2.1, box 3.2.1.9 - change "both" to "all".
Section 2.2.1, boxes 3.2.1.16 and 3.2.1.17 should appear after 3.1.14 and 3.1.15. It is not possible for our agent systems to process a new appointment before the old one has been terminated.
Section 2.2.2, general comment. Shouldn't this section detail the obligations on the Old Suppliers as well as those on the New Suppliers (eg. Agent appointment termination).
Section 2.2.2, boxes 3.2.2.4 - add HHDA to the left hand box.
Section 2.2.3, box 3.2.3.4 - how does the Primary Supplier know who the new Supplier is? Should this section include an obligation on the New Supplier to contact the Primary Supplier? This would also include agreement on the new Allocation Schedule. 3.2.3.1 currently shows the new Allocation Schedule being agreed with the "Current Supplier" (presumably the one the New Supplier is replacing), however this should really be agreed with all the other Suppliers and not the Current Supplier.
Section 2.2.3, boxes 3.2.1.5 and 3.2.1.6 should appear after 3.2.1.7 and 3.2.1.8. It is not possible for our agent systems to process a new appointment before the old one has been terminated.
Section 2.2.3, boxes 3.2.3.9 and 3.2.3.10 - left hand boxes should appear under "OTHER PARTIES" rather than "NEW SUPPLIER", since the New Supplier is not necessarily the Primary Supplier.
Section 2.2.4, boxes 3.2.4.12 and 3.2.4.13 should appear after 3.2.4.14 and 3.2.4.15. It is not possible for our agent systems to process a new appointment before the old one has been terminated.

Section 2.2.5, general comment - replace "SSD" with "Effective to Settlement Date {REGI}" or some other relevant phrase.
Section 2.2.5, box 3.2.5.2 - should there be an obligation on the Primary Supplier to renegotiate the Allocation Schedule with the Secondary Suppliers in this scenario? I would suggest that this is a commercial decision to be taken by the Primary Supplier (and the associated Generator), and it should not be a regulatory obligation. Even if a Multiple Fixed Block Allocation Schedule is no longer appropriate because the number of Suppliers participating in the Shared Arrangements for this metering system has reduced to two, the Fixed Block Allocation Schedule provides for equivalent functionality and would be reverted to.
Section 2.2.5, boxes 3.2.5.8 and 3.2.5.9 - the De-registering Secondary Supplier should deappoint his Agents rather than the Primary Supplier.
Sections 2.3 and 2.4, general comment. Should there not be some activities at the start of these processes for the Primary and Secondary Suppliers to agree on the new Agent appointment. This is particularly relevant if one (or more) of the Suppliers would have to register an additional Supplier hub as a consequence of the change of Agent.
Section 2.3, box 3.3.2 - add "... and proceed according to BSCP501" to the end of this. The SMRA should notify HHDA of the new HHDC, but this can be achieved by referring to BSCP501 rather than adding it to this diagram.
Section 2.4, boxes 3.4.7 and 3.4.11 - left hand box should be in the "PRIMARY SUPPLIER" swimlane rather than "SECONDARY SUPPLIER".
Section 2.4, boxes 3.4.10 to 3.4.13 should appear before 3.4.6. It is not possible for our agent systems to process a new appointment before the old one has been terminated.
Section 2.5 - there should be a line between boxes 3.5.6 and 3.5.8.
Section 2.5, box 3.5.9 - replace "both" with "all"
Section 2.5, box 3.5.10 - words in the middle box should be the same as those in the left hand box. Remove HHDC as recipient of the energisation status (this comes from the MOP in 3.5.9).
Section 2.5, remove box 3.5.12 - box 3.5.9 covers the appropriate validation for HHDC.
Section 2.6 - all comments above on section 2.5 apply equally to 2.6 (replace 3.5.x with 3.6.x).
Section 2.7, box 3.7.4 - Supplier boxes should state "Resolve errors with PDSO".
Section 2.7, arrow into box 3.7.7 should say "From 3.2.6".
Section 2.7, box 3.7.7 - this shouldn't appear in the "SECONDARY SUPPLIER" swimlane for the Primary MSID.
Section 2.7, box 3.7.9 - this shouldn't appear in the "PRIMARY SUPPLIER" swimlane for the secondary MSIDs.
Section 2.8, box 3.8.2 - add HHDA as a recipient for this data.
Section 3 - relevant changes to section 3 should be made in line with the section 2 comments above.
Section 3.2.3 - the comment at the start of this section should apply to 3.2.3.4 in addition to 3.2.3.9.
Section 4.1 - First sentence doesn't make sense. Suggest replacing "...appointment to a Primary MSID of..." with "...appointment to a Primary MSID and..."
Section 4.1 - Second sentence of first paragraph doesn't relate to the first sentence and doesn't read properly in this context. Suggest that this sentence is moved as a standalone paragraph to the end of section 4.1.
Section 4.1 - numbered paragraphs do not make sense. Paragraphs numbered 1 and 2 relate to the initial appointment by the Primary Supplier to all Primary and Secondary MPANs. Paragraphs numbered 3 to 6 are then applied once the Primary Supplier appointments have been terminated and Secondary Suppliers have appointed HHDC to the Secondary MPANs.
Section 4.1 - in the paragraph numbered 3, change "...there is more than 5 WDs..." to "...there are more than 5 WDs...".
Section 4.1 - the last paragraph should also include guidance as to what the HHDC should do if he does not receive notification of appointment by a Secondary Supplier.
Section 4.4, paragraph numbered 3, replace "...actual demand and / or demand..." with "...actual generation and / or demand...". Also, should all references to "actual" in this paragraph be "allocated". It is my understanding that the actual energy metered at the metering system must always be allocated by the HHDC (ref. paragraph numbered 4 in this section), whereas this paragraph seems to imply that metered energy might be adjusted prior to splitting the consumption.
Section 4.6 - remove paragraph 8.
PSL130 - 1.6.1.1 is muddled. It talks about "...two or more Associated Suppliers..." and then goes on to refer to "... an Associated Supplier acting as Secondary Supplier..." (singular).
PSL130 - 1.6.2.7 - should the reference in this paragraph be to 1.6.2.9?

SACR, section 6 introductory page. The SACR applies to certification of HHDC service. The page makes references to "Questions 6.37x - y apply to Primary and Secondary Suppliers..." Suggest this is changed to "Question 6.37x - y apply to HHDCs offering the service to Primary and Secondary Suppliers...". In addition, presumably the Fixed Block and Multiple Fixed Block Allocation Methods can be used for Import / Export sites, so the explanation of how this is dealt with which is currently only detailed against the Percentage Allocation and Capped Block Methods should also apply to these cases.
SACR, 6.37i - it is not clear why the confirmation has to be sent post Gate Closure, which seems to run against the obligations in BSCP550 (eg in 3.5.14) which require the HHDC to send confirmation "as soon as practicable after receipt", which might be in advance of Gate Closure.
SACR Guidance Notes - replace "HHHDC" with "HHDC" on first page.

ANNEX 3 – P67 MODIFICATION GROUP

Annex 3A – Membership

Peter Davies	ELEXON Chair
Paul Jones	Powergen (Proposer)
Nick Simpson	Ofgem
Ann Evans	Scottish Power/Manweb
Eric Graham	Scottish Power
Andrew McDonald	Concert Energy
Tony Bramley	Tanaris Energy Limited
Phillip Russell	TXU
Bob Brennan	Seeboard Power Networks
Maurice Smith	Campbell Carr
Tony Price	Innogy
Alex Green	Smartest Energy Limited
Phil Lawton	NGC
Ian George/ Nigel Knee	British Energy
Jill Ashby	MRASCo
Ben Willis	nPower

In attendance:

Nicola Holt	DWS
Ceri Hughes	ELEXON
Richard Grimsey	ELEXON
Duncan Jack	ELEXON
John Cunningham	ELEXON

Annex 3B – Attendance at Modification Group

Attendees at Modification Group Meeting on 30/01/02

Peter Davies	ELEXON Chair
Paul Jones	Powergen (Proposer)
Nick Simpson	Ofgem

Chris Pooley	Campbell Carr
Robert Owens	Smartest Energy Limited
Phil Lawton	NGC
Jill Ashby	MRASCo
Ben Willis	nPower

In attendance:

Rekha Patel	Dynegy
Ian Mullins	BP
Murray Dyer	Power Ex
Nicola Holt	DWS
Ceri Hughes	ELEXON
Richard Grimsey	ELEXON
Duncan Jack	ELEXON
John Cunningham	ELEXON

ANNEX 4 – SUMMARY OF CONSULTATION RESPONSES

Organisation	Q1: Number of Parties	Q1: Agree with principles of P67 and support business case?	Q2: Better meets Objectives? Which ones?	Q3: Most cost effective implementation route?	Q4: Apply equally to generation and demand?	Q5a: If supplier will use new Methods?	Q5b: If supplier and using new Methods, how many sites?	Q6: If PDSO, any other issues?	Q7: If SMRA, any other issues?	Q8: Should there be a limit on the number of suppliers participating at a site?	Q9: Material benefit of P67; on organisation; on industry?	Q10: If implemented, organisation impacted?	Q11: Any other issues?
British Gas Trading	3	Yes, particularly for small Parties	Yes, c	Yes but short timescales to review	yes	Possibly, no current plans.	Can't say at present.	N/A	N/A	No, should be self limiting.	Very little; depends on take-up	yes, if choose to use it	
National Grid	1	Yes, increases transparency	Yes, c	Yes, based on advice from ELEXON.	yes	N/A	N/A	N/A	N/A		None; industry would benefit.	No	Should be restricted to GSP Group
Edison Mission Energy	1	Yes	Yes, c	yes							Will increase ability of small players to compete.		
TXU	14	Yes to principle, no to business case as available via MVRNs	No, not fully worked up.	No, due to cost of setting up an accredited Supplier hub (£55k)	yes	No	0	N/A	N/A	Does it make a practical difference?	None, never been asked for such a facility by a LEG	No, would use MVRN.	Can be done with MVRNs, to add a further option will only add complexity for smaller Parties
Alcan Smelting & Power UK	N/A	Yes	Yes, c		Yes						Will provide a further method of managing imbalance.	Yes, extra option to trade	
Powergen plc	4	Yes	Yes, c	Yes	Yes	Yes if economics of a generation scheme allow.	Not known, will be dependent on economics.	N/A	N/A	Yes, 4. Appropriate balance between facilitating competition and admin complexity.	Dependent on economics.	Yes if take on a site using facility.	No
SEEBOARD Energy Ltd	1	Yes	Yes, c	No view	yes	Unlikely		N/A	N/A	No view	Little or no value to Seeboard. Uncertain value to industry.	Probably no. Unable to carry out full impact assessment on software in time available.	What evidence that any HHDCs willing to offer service? What evidence that industry prepared to pay for such a service?
SEEBOARD Power Networks	1	No, capped method already allows for separation of energy.	No, adds complexity to administration of balancing and settlement arrangements.	No. Potential impact on PDSO/SMRS.	No. Fixed and Multiple Fixed Block methods increase costs significantly.	N/A		Additional LLFCs may be required (40 day lead time in BSCP 528). Changes to Connection Agreements, DUoS Agreements and Condition 4 of DUoS Charging Statements (5 months notice of revision). Splitting reactive power complex, could leave obligation on Primary Supplier.	Yes. Complexity of creating and managing pseudo MPANs, a manual process. Manageable for small number of generation sites. Cost per set of pseudo MPANs is £1200.	Yes, 2 as at present.	None whatsoever. Only adds to complexity and cost.	Yes (see Q6 and 7) Implementation timescales are 6 months minimum.	

Western Power Distribution	2	See Q6 to 10.	Yes.					Yes. Significant impact on DUoS billing.	Primary impact on DB	Yes, 9.	No benefit to us. Potential benefit to Trading Parties.	If take up low, can accommodate manually. If high, several months, undetermined costs for automated process.	
BP Gas	3	Yes	Yes, c but small generators will only truly benefit when they can migrate from SVA to CVA.	Yes	Yes but see Q2	N/A	N/A	N/A	N/A	No, would limit commercial options.	No benefit unless further reform for small generators.	No	Unless further reform to allow embedded benefits and CCL to be captured, no benefit. Must allow migration to CVA before fair price can be realised under P67.
LE Group	4	Yes but not clear that will really create more value.	On balance Yes. Yes, c but No, d.	Happy to take ELEXON's guidance.		Only if asked to by LEGs.		Not that we have seen in time available.	Not that we have seen in time available.	Yes, 10.	Uncertain about overall benefit.	May need to incorporate some form of checking to ensure that Distributors are not billing for virtual energy.	LECs and ROCs are based on the output from eligible generators. If some of output is virtual it should not attract LEC or ROC. Unless immediately apparent through Ofgem ROC and LEC processes, the risk that a supplier might have LEC or ROC removed may affect prices paid by suppliers to generators.
Innogy plc	9	Yes, would allow splitting but not clear that greater value achieved. No since P7 plus MVRNs would deliver same functionality.	No. P67 replicates functionality that exists in BSC through use of P7 and MVRNs.	No. P67 replicates functionality that exists in BSC through use of P7 and MVRNs.	Yes. P67 replicates functionality that exists in BSC through use of P7 and MVRNs.	No. P67 replicates functionality that exists in BSC through use of P7 and MVRNs.	N/A	N/A	N/A	No. But MVRNs can already cope with very complex reallocations.	None. The mod doesn't appear to give scope for additional products.	Yes, more cost for no more benefit.	The Mod Group should meet to discuss the full impact of P7.
Scottish & Southern	5	Concerned about MRASCo and DUoS problems. Also potential impact on other Suppliers in GSP Group.	Not clear.	Not clear.	Yes			Deeply concerned that impact on DUoS not addressed. Panel should consult Distribution Commercial Group before proceeding.		Should limit initial implementation to Fixed Block only with max 2 Suppliers. Primary would be Variable Supplier. If operating OK, extend to Multiple Fixed Block through further Mod.	No clear benefit or cost effectiveness.	Short timescales haven't allowed for proper impact assessment. Earliest implementation should be August 2002.	See Q1
Dynegy	1	Yes, vital for LEGs to be able to split output.	Yes, c	Yes	Yes	Yes	Cannot say at present.	N/A	N/A	No. Only consider limit if system or data flow problems.	Benefit to Dynegy as allows it to become consolidator. Competition for embedded generators.	No	No
ScottishPower UK plc	7	Yes but problematic for demand	Yes, c	Yes, but PDSO costs particularly for demand could be significant	No. Significant changes to DB and Supplier systems if applied to demand as well.	Yes	Further assessment needed.	Significant changes to PDSO systems if applied to demand as well.	Manual process prone to error. Difficult to identify original MPAN.	No in theory but 6 would be sensible.	Good for wind generation.	Yes, minimal for Supply but PDSO costs could be £10ks but not £100ks if gen only. Very significant costs if demand as well. Timescales may not be met if DUoS charging statement changes required.	Corruption of data integrity a major concern. Aggregation Options 3 and 4 do not require the transfer of virtual energy.