

ANNEX C

Responses from P72 Draft Modification Report Consultation Consultation issued on 25 April 2002

Representations were received from the following parties:

No	Company	File Number	No. Parties Represented
1.	Intergen (UK) Ltd	P72_MR_001	4
2.	London Electricity	P72_MR_002	5
3.	SEEBOARD Energy Ltd	P72_MR_003	1
4.	Calanais Ltd	P72_MR_004	5
5.	Aquila Networks	P72_MR_005	1
6.	British Gas	P72_MR_006	1
7.	Scottish and Southern Energy	P72_MR_007	4
8.	British Energy	P72_MR_008	3

P72_MR_001 – Intergen (UK) Ltd

MODIFICATION PROPOSAL P72 CONSULTATION QUESTIONS

Name: Chris Ridgway

Organisation: InterGen (UK) Ltd

Response provided on behalf of the following Parties (Please list all Parties):

CECL, IETS, RPCL, SPAL

Question	Yes/No (with rationale)
Q1 Do you believe that Modification Proposal P72 better facilitates the Applicable BSC Objectives?	Yes – correction of minor error.
Q2 Do you agree with the Panel's view that an Implementation Date of [Authority Decision + 5WD] is a pragmatic way forward?	Yes
Q3 Do you wish to make additional comments about Modification Proposal P72 or about the draft Modification Report for P72?	No

P72_MR_002 – London Electricity

MODIFICATION PROPOSAL P72 CONSULTATION QUESTIONS

Name: Liz Anderson

Organisation: London Electricity

Response provided on behalf of the following Parties (Please list all Parties):

London Electricity, South Western Electricity, Jade Power, Sutton Bridge Power and TXU West Burton Power Limited

Question	Yes/No
Q1 Do you believe that Modification Proposal P72 better facilitates the Applicable BSC Objectives?	YES, cutting back all equally-priced offers, or bids as appropriate, when these "straddle" BRL MWh in the relevant "stack", is more appropriate (better meeting objective C below) than the more arbitrary solution of cutting back the bids, or offers as appropriate, on a random basis as is specified in the code, cutting out all of the volume of those first identified on a random basis, until sufficient have been rejected. This

Question	Yes/No
	<p>can mean that imbalance prices, due to varying loss factors associated with the units, can vary randomly at present from settlement run to settlement run, albeit only to a minor degree.</p> <p>We are in agreement with the way the draft modification report describes the issue above.</p> <p>This solution also avoids the cost, as a side benefit, of changing the software, better meeting objective D below.</p> <p>The Applicable BSC Objectives that would be better met by passing mod P72 include :</p> <p>(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;</p> <p>(d) Promoting efficiency in the implementation and administration of the balancing and settlement arrangements.</p>
<p>Q2 Do you agree with the Panel's view that an Implementation Date of [Authority Decision + 5 WD] is a pragmatic way forward?</p>	<p>YES</p>
<p>Q3 Do you wish to make additional comments about Modification Proposal P72 or about the draft Modification Report for P72?</p>	

P72_MR_003 – SEEBOARD Energy Limited

MODIFICATION PROPOSAL P72 CONSULTATION QUESTIONS

Name: Dave Morton

Organisation: SEEBOARD Energy Limited

Response provided on behalf of the following Parties (Please list all Parties):

SEEBOARD Energy Limited

Question	Yes/No (with rationale)
<p>Q1 Do you believe that Modification Proposal P72 better facilitates the Applicable BSC Objectives?</p>	<p>Yes</p>

Question	Yes/No (with rationale)
Q2 Do you agree with the Panel's view that an Implementation Date of [Authority Decision + 5WD] is a pragmatic way forward?	Yes
Q3 Do you wish to make additional comments about Modification Proposal P72 or about the draft Modification Report for P72?	No

P72_MR_004 – Calanais Ltd

MODIFICATION PROPOSAL P72 CONSULTATION QUESTIONS

Name: Man Kwong Liu

Organisation: Calanais Ltd.

Response provided on behalf of the following Parties (Please list all Parties):

ScottishPower UK Plc.; ScottishPower Energy Trading Ltd.; ScottishPower Generation Ltd.; Scottish Power Energy Retail Ltd.; SP Transmission Ltd.

Question	Yes/No (with rationale)
Q1 Do you believe that Modification Proposal P72 better facilitates the Applicable BSC Objectives?	Yes, the changes would give more consistent energy imbalance prices when the circumstances as indicated occurred.
Q2 Do you agree with the Panel's view that an Implementation Date of [Authority Decision + 5WD] is a pragmatic way forward?	Yes, this issue should be addressed as soon as possible.
Q3 Do you wish to make additional comments about Modification Proposal P72 or about the draft Modification Report for P72?	We support the Panel's recommendation. The legal drafting appears to be appropriate although a brief note of explanation may have aided understanding.

P72_MR_005 – Aquila Networks

Aquila Networks Response to P72 Consultation on Draft Modification Report

Hello,

Please find that Aquila Networks response to P72 Consultation on Draft Modification Report is 'No Comment'.

regards
Rachael Gardener

Deregulation Control Group &
Distribution Support Office
AQUILA NETWORKS

P72_MR_006 – British Gas

Dear Sir

Modification Proposal 72: Correction of a Minor Inconsistency in the BSC Arbitrage and Trade Tagging Methodology

Thank you for the opportunity of responding to this consultation. This response is on behalf of British Gas Trading Ltd.

Although we do not generally believe it is appropriate that the BSC should be changed to accommodate errors in system development, in this case we do support this modification as better facilitating the applicable BSC Objectives, in particular Objective C3(d) in promoting the efficiency in the implementation and administration of the balancing and settlement arrangements. The approach recommended in the Modification Report is the most pragmatic and efficient solution to this problem.

Yours faithfully

Danielle Lane
Transportation Analyst

P72_MR_007 – Scottish and Southern Energy

P72 Report Comments

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 25th April 2002, and the associated Modification Report, concerning Modification Proposal P72, together with the three questions posed in the consultation, our answers are as follows:-

Q1 We do believe that Modification Proposal P72 better facilitates the

Applicable BSC Objectives;

Q2 We agree with the Panel's view on the Implementation Date; and

Q3 We have no additional comments to make on this Modification Proposal

Regards

Garth Graham
Scottish & Southern Energy plc

P72_MR_008 – British Energy

MODIFICATION PROPOSAL P72 CONSULTATION QUESTIONS

Name: Rachel Ace

Organisation: British Energy Power & Energy Trading Ltd

Response provided on behalf of the following Parties (Please list all Parties):

British Energy Power & Energy Trading Ltd

British Energy Generation Ltd

Eggborough Power Ltd

Question	Yes/No (with rationale)
Q1 Do you believe that Modification Proposal P72 better facilitates the Applicable BSC Objectives?	Yes, promotes efficiency by removing potential for random uncertainty in imbalance prices from settlement run to settlement run.
Q2 Do you agree with the Panel's view that an Implementation Date of [Authority Decision + 5WD] is a pragmatic way forward?	Yes. The settlement software has used the proposed method since go-live and this modification formalises the software implementation. No software changes are proposed, so the change is effectively implemented retrospectively from Go-Live, unless other measures are taken to correct any occurrences in the intervening period.

Question	Yes/No (with rationale)
Q3 Do you wish to make additional comments about Modification Proposal P72 or about the draft Modification Report for P72?	Elexon should provide an estimate of the materiality between go-live and the implementation date (or some convenient reference point). We anticipate this to be small, and for this reason have no objection to the effective retrospective implementation, on grounds of pragmatism. We have not checked the BSC legal drafting and algebra in detail at this time.