

<b>Modification Proposal</b>	<b>MP No: 60</b> <i>(mandatory by BSCCo)</i>
<b>Title of Modification Proposal</b> <i>(mandatory by proposer):</i> Amendment To Obligation To Register Metering Systems In Relation To Trade Sales	
<b>Submission Date</b> <i>(mandatory by proposer):</i> 05 December 2001	
<b>Description of Proposed Modification</b> <i>(mandatory by proposer):</i> <p>Amend the BSC following a Trade Sale to a single Replacement Supplier to relieve a single Replacement Supplier from being obliged to re-register Metering Systems, re-appoint and re-register Party Agents for the failing Suppliers assets, within 3 months. This change will ensure that the stability and integrity of the SVA Trading Arrangements and Settlement data is maintained and is not unnecessarily undermined in a detrimental way.</p> <p>Paragraph 7.6 of Section K of the BSC describes the obligations of the Replacement Supplier to register metering systems, specifically the statement under 7.6.2 quotes "The Replacement Supplier shall take the steps referred to in paragraph 7.6.1 as soon as reasonably practical after the Appointment Day and, in any event, within 3 months after The Appointment Day."</p> <p>BGT believes that this section should only need apply to the Supplier of Last Resort process and not in the circumstances of a Trade Sale involving a single Replacement Supplier where re-registration may be unnecessary within a 3 month period for transferring metering systems in paragraph 7.6.2. A Trade Sale will normally mean that the failing supplier's assets are being transferred cooperatively. The issues involved in respect of a Trade Sale differ from that of Supplier of Last Resort scenario. For the avoidance of doubt the 3 month period should remain for the Supplier of Last Resort process and for multiple Replacement Suppliers.</p> <p>It is therefore proposed that the wording of paragraph 7.6.2 in Section K be amended to read as follows:</p> <p>"In the situation of a Supplier of Last Resort or under the circumstances of multiple Replacement Suppliers, the Replacement Supplier shall take the steps referred to in paragraph 7.6.1 as soon as reasonably practical after the Appointment Day and, in any event, within 3 months after The Appointment Day. In the situation of a Trade Sale involving a single Replacement Supplier, there is no obligation to perform any registration or agent appointments as specified in 7.6.1."</p> <p>The above amendment will facilitate the achievement of the objectives of the Code in Section B paragraph 1.2.1, in particular 1.2.1 (b) (iii) promoting effective competition in the generation and supply of electricity and promoting such competition in the sale and purchase of electricity.</p>	
<b>Description of Issue or Defect that Modification Proposal Seeks to Address</b> <i>(mandatory by proposer):</i> Section K, paragraph 7.6.2 is in conflict with the relevant BSC objectives.	
<b>Impact on Code</b> <i>(optional by proposer):</i> Section K 7.6.2	
<b>Impact on Core Industry Documents</b> <i>(optional by proposer):</i> N/a	
<b>Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties</b> <i>(optional by proposer):</i> N/a	
<b>Impact on other Configurable Items</b> <i>(optional by proposer):</i> N/a	

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### Justification for Proposed Modification with Reference to Applicable BSC Objectives (mandatory by proposer):

The Applicable BSC Objectives are set out in paragraph 3 of Condition C3 of the Transmission Licence, as follows:

(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;

(d) Promoting efficiency in the implementation and administration of the balancing and settlement arrangements.

This modification addresses shortcomings in the BSC.

In view of the current market circumstances it would be prudent not to have to undertake the requirements to perform a change of agent process for the relevant metering systems. Without approval of this modification, the change of agent process would be mandatory and present unnecessary risk to the SVA arrangements.

In addition there already exists a precedent for a trading party to have more than one supplier id. For example, Npower hold both "NATP" and "INDE" supplier ids which does not appear to have detrimentally effected the performance of the SVA Settlement process.

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**Attachments: NO**

**If Yes, Title and No. of Pages of Each Attachment:**