

MODIFICATION REPORT for Modification Proposal P209 'Housekeeping Modification - Change of Code References from BSCP531 to BSCP537'

Prepared by: ELEXON¹ on behalf of the BSC Panel

Date of Issue:	14 February 2007	Document Reference:	P209RR
Reason for Issue:	For Panel Decision	Version Number:	1.0

This document has been distributed in accordance with Section F2.1.10 of the Balancing and Settlement Code.²

Proposed Modification P209 seeks to deliver a minor referencing change to the Code (as modified via Approved Modification P197 'SVA Qualification Processes review') from BSCP531 to BSCP537. This will remove an existing ambiguity from the Code as the P197 Qualification arrangements are described in the new BSCP537, not BSCP531 which is currently quoted in the Code. P209 has been raised by the Panel in accordance with paragraph F2.1.1(d)(iv) of the Code.

No Alternative Modification has been developed.

BSC PANEL'S RECOMMENDATIONS

Having considered and taken into due account the contents of the P209 draft Modification Report, the BSC Panel recommends:

- **that Proposed Modification P209 should be made;**
- **an Implementation Date for Proposed Modification P209 of 23 August 2007 if an Authority decision is received on or before 9 August 2007, or 10 Working Days after an Authority decision if it is received after 9 August 2007;**
- **the proposed text for modifying the Code, as set out in the Modification Report.**

¹ ELEXON Ltd fulfils the role of the Balancing and Settlement Code Company ('BSCCo').

² The current version of the Code can be found at <http://www.elexon.co.uk/bcsrelateddocs/BSC/default.aspx>

CONTENTS TABLE

Summary of Impacted Parties and Documents	3
1 Description of Modification	4
1.1 Proposed Modification	4
2 Implementation Approach and Costs.....	4
3 Rationale for Panel’s Recommendations to the Authority.....	5
3.1 Panel’s Consideration of IWA	5
3.2 Results of Report Phase Consultation.....	6
3.3 Panel’s Consideration of Draft Modification Report	6
3.4 Panel’s Final Recommendation to the Authority	7
4 Terms Used in this Document	7
5 Document Control	7
5.1 Authorities	7
Appendix 1: Legal Text	9
Appendix 2: Process Followed	9
Appendix 3: Results of Impact Assessment.....	9
Appendix 4: Report Phase Consultation Responses	10

Intellectual Property Rights, Copyright and Disclaimer

The copyright and other intellectual property rights in this document are vested in ELEXON or appear with the consent of the copyright owner. These materials are made available for you for the purposes of your participation in the electricity industry. If you have an interest in the electricity industry, you may view, download, copy, distribute, modify, transmit, publish, sell or create derivative works (in whatever format) from this document or in other cases use for personal academic or other non-commercial purposes. All copyright and other proprietary notices contained in the document must be retained on any copy you make.

All other rights of the copyright owner not expressly dealt with above are reserved.

No representation, warranty or guarantee is made that the information in this document is accurate or complete. While care is taken in the collection and provision of this information, ELEXON Limited shall not be liable for any errors, omissions, misstatements or mistakes in any information or damages resulting from the use of this information or action taken in reliance on it.

SUMMARY OF IMPACTED PARTIES AND DOCUMENTS

As far as BSCCo has been able to assess, the following parties/documents would be impacted by P209.

Please note that this table represents a summary of the full impact assessment results contained in Appendix 4.

Parties	Sections of the BSC	Code Subsidiary Documents
Distribution System Operators <input type="checkbox"/>	A <input type="checkbox"/>	BSC Procedures <input type="checkbox"/>
Generators <input type="checkbox"/>	B <input type="checkbox"/>	Codes of Practice <input type="checkbox"/>
Interconnectors <input type="checkbox"/>	C <input type="checkbox"/>	BSC Service Descriptions <input type="checkbox"/>
Licence Exemptable Generators <input type="checkbox"/>	D <input type="checkbox"/>	Party Service Lines <input type="checkbox"/>
Non-Physical Traders <input type="checkbox"/>	E <input type="checkbox"/>	Data Catalogues <input type="checkbox"/>
Suppliers <input type="checkbox"/>	F <input type="checkbox"/>	Communication Requirements Documents <input type="checkbox"/>
Transmission Company <input type="checkbox"/>	G <input type="checkbox"/>	Reporting Catalogue <input type="checkbox"/>
Party Agents		
Data Aggregators <input type="checkbox"/>	H <input type="checkbox"/>	Core Industry Documents
Data Collectors <input type="checkbox"/>	I <input type="checkbox"/>	Ancillary Services Agreement <input type="checkbox"/>
Meter Administrators <input type="checkbox"/>	J <input checked="" type="checkbox"/>	British Grid Systems Agreement <input type="checkbox"/>
Meter Operator Agents <input type="checkbox"/>	K <input checked="" type="checkbox"/>	Data Transfer Services Agreement <input type="checkbox"/>
ECVNA <input type="checkbox"/>	L <input type="checkbox"/>	Distribution Code <input type="checkbox"/>
MVRNA <input type="checkbox"/>	M <input type="checkbox"/>	Distribution Connection and Use of System Agreement <input type="checkbox"/>
BSC Agents		
SAA <input type="checkbox"/>	N <input type="checkbox"/>	Grid Code <input type="checkbox"/>
FAA <input type="checkbox"/>	O <input type="checkbox"/>	Master Registration Agreement <input type="checkbox"/>
BMRA <input type="checkbox"/>	P <input type="checkbox"/>	Supplemental Agreements <input type="checkbox"/>
ECVAA <input type="checkbox"/>	Q <input type="checkbox"/>	Use of Interconnector Agreement <input type="checkbox"/>
CDCA <input type="checkbox"/>	R <input type="checkbox"/>	BSCCo
TAA <input type="checkbox"/>	S <input checked="" type="checkbox"/>	Internal Working Procedures <input type="checkbox"/>
CRA <input type="checkbox"/>	T <input type="checkbox"/>	BSC Panel/Panel Committees
SVAA <input type="checkbox"/>	U <input type="checkbox"/>	Working Practices <input type="checkbox"/>
Teleswitch Agent <input type="checkbox"/>	V <input type="checkbox"/>	Other
BSC Auditor <input type="checkbox"/>	W <input type="checkbox"/>	Market Index Data Provider <input type="checkbox"/>
Profile Administrator <input type="checkbox"/>	X <input checked="" type="checkbox"/>	Market Index Definition Statement <input type="checkbox"/>
Certification Agent <input type="checkbox"/>		System Operator-Transmission Owner Code <input type="checkbox"/>
Other Agents		
Supplier Meter Registration Agent <input type="checkbox"/>		Transmission Licence <input type="checkbox"/>
Unmetered Supplies Operator <input type="checkbox"/>		
Data Transfer Service Provider <input type="checkbox"/>		

1 DESCRIPTION OF MODIFICATION

For a full description of the original Modification Proposal as submitted by The Panel ('the Proposer'), and the background to the proposal, please refer to the P209 Initial Written Assessment (IWA).

1.1 Proposed Modification

P209 was raised by the BSC Panel ('the Panel') at the Panel meeting held on 11 January 2007, following its agreement with the recommendation of BSCCo that a Modification Proposal be raised. The Panel noted that paragraph F2.1.1(d)(iv) of the Balancing and Settlement Code ('the Code') allows the Panel to raise a Modification Proposal on the recommendation of BSCCo to rectify manifest errors, to correct minor inconsistencies and/or to make other minor consequential changes to the Code. Such Modification Proposals are often referred to as 'housekeeping' modifications. The Panel agreed with the view of BSCCo that the proposed changes were of a minor consequential nature, and that its recommendation to the Authority would therefore generally be considered to be self-evident. It therefore agreed that P209 should be progressed directly to the Report Phase in accordance with paragraph F2.2.4 of the Code.

P209 seeks to make a minor consequential change to the current Code baseline, as modified by P197, by replacing all BSCP531 references to BSCP537. The full legal text to deliver the changes is provided as Attachment 1 to this report.

2 IMPLEMENTATION APPROACH AND COSTS

PROPOSED MODIFICATION IMPLEMENTATION COSTS³

		Stand Alone Cost	Incremental Cost	Tolerance
Total Demand Led Implementation Cost		Nil	Nil	N/A
ELEXON Implementation Resource Cost		2 man days £480	2 man days £480	+/- 5%
Total Implementation Cost		£480	£480	+/- 5%

PROPOSED MODIFICATION ONGOING SUPPORT AND MAINTENANCE COSTS

		Stand Alone Cost	Incremental Cost	Tolerance
Service Provider Operation Cost		Nil	Nil	N/A

³ An explanation of the cost terms used in this section can be found on the BSC Website at the following link: http://www.elexon.co.uk/documents/Change_and_Implementation/Modifications_Process_-_Related_Documents/Clarification_of_Costs_in_Modification_Procedure_Reports.pdf

Service Provider Maintenance Cost	Nil	Nil	N/A
ELEXON Operational Cost	Nil	Nil	N/A

a) BSC Agent Impact

P209 has no impact on any BSC Agents.

b) BSC Party and Party Agent Impact

P209 has no impact on BSC Parties or Party Agents, since the changes are non-material and do not alter the obligations set out in the Code.

c) Transmission Company Impact

P209 has no impact on the Transmission Company.

d) BSCCo Impact

P209 would be a Code-only change, and the majority of the estimated implementation costs comprise the effort required to amend the Code.

3 RATIONALE FOR PANEL'S RECOMMENDATIONS TO THE AUTHORITY

3.1 Panel's Consideration of IWA

The Panel considered the P209 IWA at its meeting on 11 January 2007. This section summarises the Panel's discussions in formulating its provisional recommendation for inclusion in the draft Modification Report. Details of the Report Phase consultation responses, the Panel's discussion of the responses and its final recommendation to the Authority can be found in Sections 3.2, 3.3 and 3.4 respectively.

3.1.2 Applicable BSC Objectives

Consistent with previous housekeeping modifications, BSCCo recommended that the changes outlined in P209 are self-evident and that P209 would therefore better facilitate the achievement of **Applicable BSC Objective (d)** 'promoting efficiency in the implementation and administration of the balancing and settlement arrangements', by improving the clarity of the Code around the Qualification processes and reducing any potential for misunderstanding by Parties (particularly for new entrants to the market).

The Panel agreed that the proposed housekeeping changes appeared to be self-evident, and therefore agreed a unanimous provisional recommendation to the Authority that the Proposed Modification should be made.

3.1.3 Implementation Date

The Panel provisionally agreed with the IWA's recommendation regarding the following Implementation Dates for P209:

- 23 August 2007 if an Authority decision is received on or before 9 August 2007; or
- 10 Working Days after an Authority decision if received after 9 August 2007.

3.1.4 Legal Text

The Panel reviewed the draft text and provisionally agreed that it addresses the defect identified by the Modification Proposal.

3.2 Results of Report Phase Consultation

Five responses (representing 30 Parties and 1 non-Party) were received to the P209 Report Phase consultation.

A summary of the consultation responses is provided in the table below (bracketed numbers represent the number of Parties and non-Parties represented by respondents).

Q	Consultation question	Yes	No	Neutral
1.	Do you agree with the Panel's provisional recommendation to the Authority contained in the draft Modification Report that the Proposed Modification should be made?	5 (30 Parties + 1 non-Party)	0	0
2.	Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P209?	5 (30 Parties + 1 non-Party)	0	0
3.	Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the issue or defect identified in the Modification Proposal?	5 (30 Parties + 1 non-Party)	0	0

The Report Phase consultation responses contained the following arguments in respect of P209:

One respondent provided qualified support for the Implementation Date and legal text. Firstly the respondent highlighted it was important that the Implementation Date is aligned with Approved Modification P197 to ensure that the new BSCP537 will be in force from the appropriate date. The respondent suggests that if an Authority decision is delayed for P209 such that P209 implementation could not be aligned with Approved Modification P197 then it would be appropriate for a delay to the implementation of Approved Modification P197 to ensure they align.

Secondly, the respondent suggests that it would be appropriate for both BSCP531 and BSCP537 to be specifically included in the transitional arrangements (2.1A.4 of Section J of the Approved Modification P197 legal text). The respondent believed that this would provide more robust legal text.

One respondent had a further comment on the scope of a housekeeping modification. The respondents view is that Approved Modification P197 will be implemented by a different set of Code Subsidiary Documents than were envisaged. The respondent suggests that, in future, more consideration is given to stress testing the legal text and that definition of the required Code Subsidiary Document changes takes place at Modification Group level to ensure consistency with the Code changes. ELEXON has discussed and noted the comments with the respondent.

All other respondents agreed with the Panels' recommendation to the Authority that P209 should be made. One respondent highlighted that housekeeping changes ensure that the Code remains both clear and unambiguous and that without the amendments within P209 the Code may become unclear and could be misinterpreted.

Full copies of the consultation responses can be found as Attachment 2 to this document.

3.3 Panel's Consideration of Draft Modification Report

3.3.1 Report Phase Consultation Responses

The Panel noted the unanimous support for P209 from the consultations responses. The Panel also noted the further comments provided by one respondent regarding the Implementation Date, legal text and scope of a housekeeping modification.

3.3.2 Applicable BSC Objectives

The Panel's views did not change regarding which Applicable BSC Objectives P209 better facilitates. The Panel agreed with BSCCo's recommendation that P209 better facilitates Applicable BSC Objective (d) 'promoting efficiency in the implementation and administration of the balancing and settlement arrangements'.

3.3.3 Implementation Date

The Panel had no further comments regarding the proposed Implementation Date of P209.

3.3.4 Legal Text

The Panel had no further comments regarding the P209 legal text.

3.4 Panel's Final Recommendation to the Authority

On the basis of the above discussions, the Panel therefore agreed a **UNANIMOUS** recommendation to the Authority that:

- The Proposed Modification **SHOULD** be made.

The Panel agreed the following recommended implementation approach for P209:

- An Implementation Date for the Proposed Modification of 23 August 2007 if an Authority decision is received on or before 9 August 2007; or
- 10 Working Days after an Authority decision if received after 9 August 2007.

The Panel agreed the legal text for modifying the Code in respect of the Proposed Modification, as provided in Appendix 1, Attachment 1.

4 TERMS USED IN THIS DOCUMENT

Other acronyms and defined terms take the meanings defined in Section X of the Code.

Acronym/Term	Definition
BSCCo	Balancing and Settlement Code Company
BSCP	Balancing and Settlement Code Procedure
Code	The Balancing and Settlement Code
housekeeping modification	A Modification Proposal raised by the Panel on the recommendation of BSCCo in accordance with paragraph F2.1.1 of the Code, in order to correct minor errors and inconsistencies in the Code.
SVA	Supplier Volume Allocation

5 DOCUMENT CONTROL

5.1 Authorities

Version	Date	Author	Reviewer	Reason for Review
0.1	12/01/07	Chris Stewart	David Jones	For technical review
0.2	15/01/07	Chris Stewart	Ysanne Hills	For quality review

0.3	16/01/07	Chris Stewart	BSC Parties and other interested parties	For consultation
0.4	30/01/07	Chris Stewart	David Jones	For quality review
0.5	08/02/07	Change Delivery	BSC Panel	For Panel decision
0.6	13/02/07	Chris Stewart	David Jones	For quality review
1.0	14/02/07	BSC Panel		For Authority decision

APPENDIX 1: LEGAL TEXT

Legal text for the Proposed Modification is attached as a separate document, Attachment 1.

The legal text replaces the 32 BSCP531 references in Sections J, S, X-1 and Annex K-1 of the Code to BSCP537.

APPENDIX 2: PROCESS FOLLOWED

Copies of all documents referred to in the table below can be found on the BSC Website at: <http://www.elexon.co.uk/changeimplementation/ModificationProcess/ModificationDocumentation/modProposalView.aspx?propID=229>

Date	Event
11/01/07	Modification Proposal raised by The Panel
11/01/07	IWA presented to the Panel
16/01/07	Draft Modification Report issued for industry consultation
30/01/07	Report Phase consultation responses returned
08/02/07	Draft Modification Report presented to the Panel

ESTIMATED COSTS OF PROGRESSING MODIFICATION PROPOSAL⁴

Meeting Cost	Nil
Legal/Expert Cost	Nil
Impact Assessment Cost	Nil
ELEXON Resource	4 man days £960

APPENDIX 3: RESULTS OF IMPACT ASSESSMENT

During the Report Phase an impact assessment was undertaken by BSCCo in respect of all BSC Systems, processes, documentation and parties. The following have been identified as impacted by P209.

For details of the costs associated with these impacts, please refer to Section 2.

a) Impact on BSC Systems and Processes

No impact.

⁴ Clarification of the meanings of the cost terms in this appendix can be found on the BSC Website at the following link: http://www.elexon.co.uk/documents/Change_and_Implementation/Modifications_Process_-_Related_Documents/Clarification_of_Costs_in_Modification_Procedure_Reports.pdf

b) Impact on BSC Agent Contractual Arrangements

No Impact.

c) Impact on BSC Parties and Party Agents

No Impact.

d) Impact on Transmission Company

No Impact.

e) Impact on BSCCo

Area of Business	Impact of Proposed/Alternative Modification
Code administration/configuration	Minor impact to make the required 'housekeeping' changes to the text of the Code following approval of P209.

f) Impact on Code

With the implementation of Approved Modification P197 on 23 August 2007 there will be a total of 32 references to BSCP531 in the Code that need to be changed to BSCP537. These references are found in Section J, Annex K-1, Section S and Section X-1 of the Code.

A copy of the draft legal text to give effect to these changes can be found in Appendix 1.

g) Impact on Code Subsidiary Documents

Whilst there will be no impact from the Proposed Modification on the Code Subsidiary Documents, this Proposal is related to the new BSCP537 that was established by the Panel at its 11 January 2007 meeting.

h) Impact on Core Industry Documents/System Operator-Transmission Owner Code

No Impact

i) Impact on Other Configurable Items

No Impact

j) Impact on BSCCo Memorandum and Articles of Association

No Impact

k) Impact on Governance and Regulatory Framework

No Impact

APPENDIX 4: REPORT PHASE CONSULTATION RESPONSES

Full copies of the consultation responses are attached as a separate document, Attachment 2.