

Responses from P176 Draft Report Consultation

Consultation Issued 14 February 2005

Representations were received from the following parties

| No | Company | File number | No BSC Parties Represented | No Non-Parties Represented |
|----|-------------------------|--------------|----------------------------|----------------------------|
| 1. | Imserv | P176_dMR_001 | 0 | 2 |
| 2. | EDF Energy | P176_dMR_002 | 9 | 0 |
| 3. | Scottish and Southern | P176_dMR_003 | 5 | 0 |
| 4. | Total Gas and Power Ltd | P176_dMR_004 | 1 | 0 |
| 5. | E.ON UK | P176_dMR_005 | 15 | 0 |
| 6. | British Gas Trading | P176_dMR_006 | 1 | 0 |
| 7. | Scottish Power | P176_dMR_007 | 6 | 0 |
| 8. | Npower | P176_dMR_008 | 10 | 0 |
| 9. | British Energy | P176_dMR_009 | 5 | 0 |

P176 REPORT PHASE CONSULTATION QUESTIONS

BSC Parties ("Parties") and other interested parties are invited to respond to this consultation expressing their views or provide any further evidence on any of the matters contained within this document. In particular views are sought in respect of the following questions. Parties are invited to supply the rationale for their responses.

| | |
|---------------------------------------|---|
| Respondent: | <i>Name</i> Stuart Scott (NHH Data quality Manager) |
| No. of Parties Represented | 2 |
| Parties Represented | NHHDC NHHDA |
| No. of Non Parties Represented | N/a |
| Non Parties represented | N/a |
| Role of Respondent | Party Agent |

| Q | Question | Response <small>Error! Bookmark not defined.</small> | Rationale |
|----|--|---|---|
| 1. | Do you agree with the Panel's views on P176 and the provisional recommendation to the Authority contained in the draft Modification Report that P176 should be made? Please give rationale. | Yes | |
| 2. | Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale. | Yes | |
| 3. | Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P176? Please give rationale. | Yes | <p>We believe there is a mistake in the date of the recommended implementation date. (section 3)</p> <p>2 March 2005, if an Authority decision is received after this date, but on or before 1 September 2005</p> <p>We believe this should be 2 March 2006</p> |
| 4. | Are there any further comments on P176 that you wish to make? | No | |

Please send your responses by **close of play on Friday 25 February 2005** to modification.consultations@elexon.co.uk and please entitle your email 'P176 Report Phase Consultation'. Please note that any responses received after the deadline may not receive due consideration by the Panel.

Any queries on the content of the consultation pro-forma should be addressed to Ben Jones on 020 7380 4327, email address ben.jones@elexon.co.uk.

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| | |
|---------------------------------------|---|
| Respondent: | EDF Energy |
| No. of Parties Represented | 9 |
| Parties Represented | EDF Energy Networks (EPN) plc; EDF Energy Networks (LPN) plc EDF Energy Networks (SPN) plc; EDF Energy (Sutton Bridge Power) Jade Power Generation Ltd; EDF Energy (West Burton Power) Ltd; EDF Energy plc; London Energy plc; Seeboard Energy Limited |
| No. of Non Parties Represented | 0 |
| Non Parties represented | N/A |
| Role of Respondent | Supplier / Generator / Trader |

| Q | Question | Response <small>Error! Bookmark not defined.</small> | Rationale |
|----|--|---|---|
| 1. | Do you agree with the Panel's views on P176 and the provisional recommendation to the Authority contained in the draft Modification Report that P176 should be made? Please give rationale. | Yes | Enables Suppliers and their Agents to better manage problems with meter readings to provide data to settlements. Therefore, this will better facilitate objective (d) and as a by-product should by improving historic data should also better facilitate objective (c). |
| 2. | Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale. | Yes | |
| 3. | Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P176? Please give rationale. | Yes | Taking this modification in isolation, but we note that a number of change proposals, such as CP 1081 are key in ensuring maximum benefit from this proposal. We would wish Elexon to note this and ensure such CPs are implemented either prior to or at the same time as this modification. |
| 4. | Are there any further comments on P176 that you wish to make? | No | |

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| | |
|---------------------------------------|--|
| Respondent: | <i>Name</i> John Sykes – Scottish and Southern Energy |
| No. of Parties Represented | 5 |
| Parties Represented | <i>This response is sent on behalf of Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd., Medway Power Ltd., and SSE Energy Supply Ltd.</i> |
| No. of Non Parties Represented | 0 |
| Non Parties represented | |
| Role of Respondent | <i>Supplier/Generator/ Trader / LDSO</i> |

| Q | Question | Response <small>Error! Bookmark not defined.</small> | Rationale |
|----|--|---|--|
| 1. | Do you agree with the Panel's views on P176 and the provisional recommendation to the Authority contained in the draft Modification Report that P176 should be made? Please give rationale. | Yes | For the reasons set out in the Modification Report. |
| 2. | Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale. | Yes | To the best of our knowledge. |
| 3. | Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P176? Please give rationale. | Yes | It should be noted that some of the provisions of P176 will be superseded by any changes approved as a result of proposals emanating from the Customer Transfer Programme, e.g. P183. A practical approach to the implementation of those provisions affected under related modifications and/or change proposals should be adopted. |
| 4. | Are there any further comments on P176 that you wish to make? | No | |

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| | |
|---------------------------------------|-------------------------|
| Respondent: | <i>Gareth Evans</i> |
| No. of Parties Represented | 1 |
| Parties Represented | Total Gas and Power Ltd |
| No. of Non Parties Represented | 0 |
| Non Parties represented | |
| Role of Respondent | <i>Supplier/ Trader</i> |

| Q | Question | Response <small>Error! Bookmark not defined.</small> | Rationale |
|----|--|---|---|
| 1. | Do you agree with the Panel's views on P176 and the provisional recommendation to the Authority contained in the draft Modification Report that P176 should be made? Please give rationale. | Yes | The detailed specification of when Deemed meter readings can and can't be used will ensure standardisation of industry practise and will improve data quality within settlement. |
| 2. | Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale. | Yes | The removal of the sections relating to Deemed reads in Annex S-2, and replacing them with more high-level provisions will simplify the reading of the Code. Placing detailed provisions within BSCP504 will improve the clarity of the process. |
| 3. | Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P176? Please give rationale. | Yes | The severity of the current problem does not warrant the additional costs and inconvenience of implementing outside of the normal release schedule. The main effect of this modification is to align the Code with current practice and so a delay in implementation will not negatively affect the market. |

| Q | Question | Response Error! Bookmark not defined. | Rationale |
|----|---|--|--|
| 4. | Are there any further comments on P176 that you wish to make? | Yes | <p>We believe that the Modification will clarify the situations when Deemed meter readings can be used.</p> <p>We support this modification on the understanding that Elexon will continue to monitor the use of Deemed reads through the usual processes (PAB, etc) to ensure that Suppliers only use Deemed reads when there is no alternative.</p> <p>We could not support a modification which we feel would reduce further the level of data quality within settlement.</p> |

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| | |
|-----------------------------------|---|
| Respondent: | <i>Alexandra Crump</i> |
| No. of Parties Represented | 15 |
| Parties Represented | E.ON UK plc; Powergen Retail Ltd; Citigen (London) Ltd; Cottam Development Centre Ltd; Enizade Ltd; E.ON UK Drakelow Ltd; E.ON UK High Marnham Ltd; E.ON UK Ironbridge Ltd; Midlands Gas Ltd; Ownlabel Energy Ltd; Severn Trent Energy Ltd; TXU Europe (AHG) Ltd; TXU Europe (AHGD) Ltd; TXU Europe (AH Online) Ltd; Western Gas Ltd. |
| Role of Respondent | Supplier / Generator |

| Q | Question | Response <small>Error! Bookmark not defined.</small> | Rationale |
|----|--|---|--|
| 1. | Do you agree with the Panel's views on P176 and the provisional recommendation to the Authority contained in the draft Modification Report that P176 should be made? Please give rationale. | Yes | <p>The specific circumstances detailed in the Code in which Deeming may be undertaken are currently inconsistent with those given in PSL120 and BSCP504 - as well as with current practice. Clearly defining the terminology, circumstances, criteria and calculation methodologies for this activity will</p> <ul style="list-style-type: none"> 1) facilitate the rectification of anomalies; 2) reduce the requirement (and associated costs) for Post Final Settlement Runs or Extra-Settlement Determinations; 3) significantly improve the overall robustness of systems and processes 4) Improve the quality of data entering Settlement. <p>The changes proposed in P176 will also better facilitate BSC Objectives (c) & (d) and potentially reduce BSC Audit issues.</p> |
| 2. | Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale. | Yes | <p>The revisions now made to Annex S-2 of the Code appear to capture the requirements of the Mod and are easier to follow than the previous version.</p> |

| Q | Question | Response <small>Error! Bookmark not defined.</small> | Rationale |
|----|--|---|---|
| 3. | Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P176? Please give rationale. | Yes | As the changes required for the implementation of this Mod are documental rather than system based we agree with the Panel's provisional recommendation for implementation dates forming part of a scheduled release - and that this is on a Calendar Day basis to facilitate the calculation of Deemed reads for Settlement Days prior to the Implementation Date. |
| 4. | Are there any further comments on P176 that you wish to make? | Yes | Although we are disappointed that Vacant Premises was removed as a reason for estimating / deeming meter reads / advances, we look forward to contributing our thoughts on this matter now that SVG have agreed to re-appraise the 2003 Powergen paper on the subject. We will expect this issue to be discussed and appropriately addressed in an Issues Group such as the VASMG . |

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| | |
|---------------------------------------|---------------------|
| Respondent: | <i>Claire Walsh</i> |
| No. of Parties Represented | |
| Parties Represented | <i>BGT</i> |
| No. of Non Parties Represented | |
| Non Parties represented | |
| Role of Respondent | <i>Supplier</i> |

| Q | Question | Response <small>Error! Bookmark not defined.</small> | Rationale |
|----------|--|--|------------------|
| 1. | Do you agree with the Panel's views on P176 and the provisional recommendation to the Authority contained in the draft Modification Report that P176 should be made? Please give rationale. | Yes | |
| 2. | Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale. | Yes | |
| 3. | Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P176? Please give rationale. | Yes | |

| Q | Question | Response Error! Bookmark not defined. | Rationale |
|----|---|--|--|
| 4. | Are there any further comments on P176 that you wish to make? | Yes | The 2 Industry consultations included a step for the new NHHDC to communicate with the new Supplier via a D170 or other manual means (the mechanism by which should be agreed by the Supplier and its NHHDC) where there are data omissions from the old NHHDC. Within the final Modification report this step has been erroneously removed. We are unclear as to why this step has been removed and request that this step is re-inserted within the Modification documentation, in line with the VASMG discussions, providing Suppliers with the optionality to instruct their NHHDC's to either utilise the DTN or manual means, supporting the principle of Supplier hub management. |

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| | |
|---------------------------------------|---|
| Respondent: | Timothy Roberts (Scottish Power) |
| No. of Parties Represented | 6 |
| Parties Represented | <i>Please list all Parties responding on behalf of (including the respondent company if relevant).</i> Scottish Power UK PLC; Scottish Power Energy Management Ltd; Scottish Power Generation Ltd; Scottish Power Energy Retail Ltd; SP Transmission Ltd; SP Manweb PLC. |
| No. of Non Parties Represented | 0 |
| Non Parties represented | <i>Please list all non Parties responding on behalf of (including the respondent company if relevant).</i> |
| Role of Respondent | <i>(Supplier/Generator/ Trader / Consolidator / Exemptable Generator / BSC Agent / Party Agent / other – please state ¹)</i> Supplier / Generator / Trader / Consolidator / Exemptable Generator / Party Agent |

| Q | Question | Response ¹ | Rationale |
|----|--|-----------------------|--|
| 1. | Do you agree with the Panel's views on P176 and the provisional recommendation to the Authority contained in the draft Modification Report that P176 should be made? Please give rationale. | Yes | By removing the procedures for deemed readings from the BSC and putting them in the Code Subsidiary Documents will help better facilitate the achievement of the applicable BSC Objective (d) efficiency in the bal & Settlement arrangements. Also, as the issue of inaccurate readings at COS would be reduced we believe this also facilitates the achievement of BSC Objective (c) 'promoting competition'. |
| 2. | Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale. | Yes | The legal texts appear appropriate. |
| 3. | Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P176? Please give rationale. | Yes | We agree that this Mod should be implemented as soon as possible to increase the industry's ability to deem/estimate reads. |
| 4. | Are there any further comments on P176 that you wish to make? | No | |

¹ Delete as appropriate – please do not use knockout, this is to make it easier to analyse the responses

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| | |
|---------------------------------------|--|
| Respondent: | <i>Richard Harrison</i> |
| No. of Parties Represented | 10 |
| Parties Represented | <i>RWE Trading GmbH; RWE Npower Ltd; Npower Cogen Ltd; Npower Cogen Trading Ltd; Npower Direct Ltd; Npower Ltd; Npower Northern Ltd; Npower Northern Supply Ltd; Npower Yorkshire Ltd; Npower Yorkshire Supply Ltd</i> |
| No. of Non Parties Represented | None |
| Non Parties represented | <i>N/A</i> |
| Role of Respondent | <i>Supplier/Generator/ Trader / Consolidator / Exemptable Generator / Party Agent</i> |

| Q | Question | Response <small>Error! Bookmark not defined.</small> | Rationale |
|----------|--|--|--|
| 1. | Do you agree with the Panel's views on P176 and the provisional recommendation to the Authority contained in the draft Modification Report that P176 should be made? Please give rationale. | Yes | |
| 2. | Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale. | Qualified Yes | We agree with the majority of the drafting. However, we have a few suggested amendments to correct/clarify the legal text, which have been discussed & agreed with Elexon, which are attached separately. We note that the text of the Code Subsidiary Document changes will be consulted on further at the implementation stage, so that there will be the opportunity for correction of any errors and further clarification/refinement as part of that process. |
| 3. | Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P176? Please give rationale. | Yes | These changes are needed as soon as practicable to facilitate the resolution of existing BSC Audit/SSM issues. |
| 4. | Are there any further comments on P176 that you wish to make? | No | |

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P176 REPORT PHASE CONSULTATION QUESTIONS - CLARIFICATION OF THE REQUIREMENTS FOR ESTIMATION/DEEMING OF METER READINGS/ADVANCES IN CERTAIN CIRCUMSTANCES

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| | |
|---------------------------------------|--|
| Respondent: | <i>Martin Mate / Nicholas Rubin</i> |
| No. of Parties Represented | 5 |
| Parties Represented | <i>British Energy Power & Energy Trading Ltd, British Energy Generation Ltd, Eggborough Power Ltd, British Energy Generation UK Ltd, British Energy Direct Ltd</i> |
| No. of Non Parties Represented | - |
| Non Parties represented | - |
| Role of Respondent | <i>Supplier/Generator/Trader/Consolidator/Exemptable Generator/Party Agent</i> |

| Q | Question | Response | Rationale |
|----|--|----------|---|
| 1. | Do you agree with the Panel's views on P176 and the provisional recommendation to the Authority contained in the draft Modification Report that P176 should be made? Please give rationale. | Yes | We agree with the Panel's views and recommendation for implementing P176. This modification serves to effectively consolidate and clarify the methods and circumstances available to estimate/deem a meter reading/advance. |
| 2. | Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale. | Yes | |
| 3. | Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P176? Please give rationale. | Yes | We do not foresee any problems with regard to the proposed implementation dates, and therefore agree with the Panel's recommendation. (We assume the fallback implementation date is 2 March 2006 and that 2 March 2005 indicated on p10 of the draft report is a typographical error). |

| Q | Question | Response | Rationale |
|----|---|----------|---|
| 4. | Are there any further comments on P176 that you wish to make? | Yes | <ol style="list-style-type: none"> 1. The group Terms of Reference included consideration of impact on incentives on Suppliers to obtain actual Meter readings when AAs can be deemed. We note that there appear to be no additional commercial incentives for the procurement of actual meter reads in the proposed modification. 2. The Terms of Reference refer to the potential system impacts of this modification, particularly with reference to the EAC/AA Calculator; and the procedural impact on parties. It is not clear where these are considered, and in particular the associated party and agent costs. Only Elexon costs are described in the report. 3. We have some reservations about consolidating the rules within a BSCP rather than the BSC itself. Although a BSCP provides more flexibility, in practice this flexibility can occur with a much lower level of industry participation and visibility than BSC modifications. We would not expect the relevant BSCP rules to be changed frequently, and expect to see future proposed changes given appropriate prominence/publicity in the Change Proposal impact assessment process and when subject to Panel/SVG consideration. |

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