

4.5. MP Form

Modification Proposal – BSCP40/03	MP No: P294 <i>(mandatory by BSCCo)</i>
Title of Modification Proposal <i>(mandatory by originator)</i> : Addition of Offshore Transmission System and OTSUA to the definition of the Total System.	
Submission Date <i>(mandatory by originator)</i> : 3 June 2013	
Description of Proposed Modification <i>(mandatory by originator)</i> This Proposal seeks to amend the definition of Total System to include Offshore Transmission System and Offshore Transmission System User Arrangements (OTSUA). The purpose of this change is to remove the requirement for a User undertaking Offshore Transmission System User Development Works (OTSDUW), as defined in the Grid Code and described in the Connection and Use of System Code (CUSC), to temporarily install Code of Practice 1 (COP1) compliant metering at the onshore Boundary Point between the Transmission System and the OTSUA, metering which would become redundant on transfer of the assets to an Offshore Transmission Owner (OFTO).	
Description of Issue or Defect that Modification Proposal Seeks to Address <i>(mandatory by originator)</i> It is not explicit within the Balancing and Settlement Code (BSC) whether an Offshore Transmission System, and in turn OTSUA, forms part of the Transmission System. This is because while the BSC takes its definition for the Offshore Transmission System, including OTSUA, from the Grid Code, its definition of Transmission System, while not expressly including offshore, refers to that in the Transmission Company's Transmission Licence. As such an Offshore Transmission System forms part of the Transmission System once the OTSDUW has been transferred to an OFTO and is operated by the Transmission Company as the Great Britain System Operator (GBSO). Therefore under the BSC an Offshore Transmission System does not form part of the Transmission System, and in turn the Total System, until it is owned by an Offshore Transmission Licensee/OFTO. This means that a Boundary Point exists between the Transmission System and the OTSDUW, thereby requiring the installation of a compliant Metering System to measure imports and exports for the time between the initial commissioning of an offshore windfarm until the offshore transmission assets are transferred to the OFTO. After which the Boundary Point moves to the Offshore Grid Entry Point or other acceptable metering point as allowed for by Section K1.1.5 and COP1. This can require a User to install compliant metering systems, at an estimated cost of £150,000 per circuit, for the limited period of their use before they are rendered redundant upon transfer to an OFTO. Alternatively applying for a Metering Dispensation, as has been the case with some transitional projects, using the compliant metering on the offshore platform with an accuracy adjustment to account for the Boundary Point onshore. This is inconsistent with the intent of the enduring Generator Build offshore transmission system arrangements; where the works are undertaken by a User it is acting in the capacity of a TO with the responsibility of extending the Transmission System. The addition of a temporary Boundary Point in these circumstances is inefficient.	

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Impact on Code <i>(optional by originator)</i> Section X, Annex X1, definition of Total System as it reads across to Section K.	
Impact on Core Industry Documents or System Operator-Transmission Owner Code <i>(optional by originator)</i> None identified.	
Impact on BSC Systems and Other Relevant Systems and Processes Used by Parties <i>(optional by originator)</i> None identified.	
Impact on other Configurable Items <i>(optional by originator)</i> None identified.	
Justification for Proposed Modification with Reference to Applicable BSC Objectives <i>(mandatory by originator)</i> <p>This Modification will better facilitate Applicable BSC Objective (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’ in that the current arrangements impose an unnecessary cost on generators undertaking OTSDUW that other generators do not face (which does not promote effective competition in generation); and</p> <p>This Modification will also better facilitate Applicable BSC Objective (d) ‘promoting efficiency in the implementation and administration of the balancing and settlement arrangements’ because the current definitions creates scope for confusion (e.g. you can have an Offshore Transmission System which isn’t part of the Transmission System) which this Modification would remove.</p>	

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Is there a likely material environmental impact? (mandatory by originator)	
There is not believed to be any material environmental impact.	
Urgency Recommended: No (delete as appropriate) (optional by originator)	
Justification for Urgency Recommendation (mandatory by originator if recommending progression as an Urgent Modification Proposal)	
Not Applicable.	
Self-Governance Recommended: No (delete as appropriate) (mandatory by originator)	
Justification for Self-Governance Recommendation (mandatory by originator if recommending progression as Self-Governance Modification Proposal)	
Not Applicable.	
Should this Modification Proposal be considered exempt from any ongoing Significant Code Reviews? (mandatory by originator in order to assist the Panel decide whether a Modification Proposal should undergo a SCR Suitability Assessment)	
This Modification Proposal should be considered exempt from any ongoing Significant Code Review.	
Details of Proposer:	
Name...Guy Phillips	
Organisation...E.ON UK.....	
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Details of Proposer's Representative: <i>Name...As Proposer</i> <i>Organisation.....</i> <i>Telephone Number.....</i> <i>Email address.....</i>	
Details of Representative's Alternate: <i>Name...Esther Sutton.....</i> <i>Organisation...E.ON UK</i> <i>Telephone Number...02476 183440.....</i> <i>Email address...esther.sutton@eon-uk.com.....</i>	
Attachments: Yes <i>(delete as appropriate) (mandatory by originator)</i> If Yes, Title and No. of Pages of Each Attachment: Elexon response to Ofgem consultation on Offshore Electricity Transmission: Implementing further refinements to the enduring regime, dated 26 November 2010. Number of pages: 3.	