

25 October 2001

MODIFICATION REPORT
MODIFICATION PROPOSAL P22 –
Publication Of Generators ‘Output
Usable’ Data

Prepared by ELEXON on behalf of the Balancing
and Settlement Code Panel

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1 SUMMARY AND RECOMMENDATIONS

1.1 Recommendation

On the basis of the analysis, consultation and assessment undertaken in respect of Modification Proposal P22 during the Assessment Procedure, and the resultant findings of the Modification process, the BSC Panel Recommends to the Authority that the original Proposal is rejected and that the Alternative Modification Proposal is adopted with an implementation date of 1 April 2002 (subject to Authority Approval by 1 December 2001), and given effect via the ELEXON web site.

1.2 Background

Modification Proposal P22 was raised by Dynegy UK Limited on the 22 June 2001 with the intention of removing an asymmetry of access to 'market data'. The original proposal sought to address two apparent asymmetries associated with access to data in the current arrangements. These are: (1) an asymmetry between generators and non-generators and (2) an asymmetry between NGC and all other BSC signatories.

The asymmetry associated with generators and non-generators results from access by generators to Zone specific Output Usable data. The majority of the Group believed that the publication of Output Usable data would remove this asymmetry and, consistent with the Applicable BSC Objectives, better promote effective competition in the generation and supply of electricity.

The asymmetry associated with NGC and all other BSC Signatories results from access by NGC to generator Outage plans (indicative and firm) for a period up to five years in advance. NGC obtains this data for planning purposes under provisions in the Grid Code. The majority of Group Members thought that removing this asymmetry by publishing the data to all BSC Signatories would better facilitate the Applicable BSC Objectives but the minority did not support this view.

Some Group Members noted that NGC has a unique position within the market. It is subject to a number of licence conditions designed to ensure that Outage data is used for prescribed purposes only. This was ultimately considered to be a matter for the Licensing Authority and not a matter that needed addressing through the BSC. An Alternative Modification was therefore developed by the P22 Modification Group seeking to publish only Output Usable data.

1.3 Rationale for Recommendations

The majority of the Group believe that publishing only generator Output Usable data better facilitates the Applicable BSC objectives as it removes the asymmetry of access to the data, but does not give rise to a potential reduction in the quality of planning data available to the Transmission Company that could occur if genset specific Outage data is published.

On consideration of the impact assessment analysis from the BMRA and ELEXON the Group, bearing in mind Applicable BSC Objective (iv), associated with efficiency in the implementation of the balancing and settlement arrangements, decided that publishing the data via the ELEXON website was preferable to publication on the BMRS.

2 INTRODUCTION

This Report has been prepared by ELEXON Ltd., on behalf of the Balancing and Settlement Code Panel ('the Panel'), in accordance with the terms of the Balancing and Settlement Code ('BSC'). The BSC is the legal document containing the rules of the balancing mechanism and imbalance settlement process and related governance provisions. ELEXON is the company that performs the role and functions of the BSCCo, as defined in the BSC.

This Modification Report is addressed and furnished to the Gas and Electricity Markets Authority ('the Authority') and none of the facts, opinions or statements contained herein may be relied upon by any other person.

An electronic copy of this document can be found on the BSC website, at www.elexon.co.uk

3 PURPOSE AND SCOPE OF THE REPORT

BSC Section F sets out the procedures for progressing proposals to amend the BSC (known as 'Modification Proposals'). These include procedures for proposing, consulting on, developing, evaluating and reporting to the Authority on potential modifications.

The BSC Panel is charged with supervising and implementing the modification procedures. ELEXON provides the secretariat and other advice, support and resource required by the Panel for this purpose. In addition, if a modification to the Code is approved or directed by the Authority, ELEXON is responsible for overseeing the implementation of that amendment (including any consequential changes to systems, procedures and documentation).

A Modification Report must be prepared and submitted to the Authority in respect of each proposed modification and must contain:

- (a) The recommendation of the Panel as to whether or not the Proposed Modification or any Alternative Modification should be made;
- (b) The proposed Implementation Date for implementation of the Proposed Modification or any Alternative Modification;
- (c) The matters set out in Annex F-1 of the BSC. This will usually be in the form of the relevant Assessment Report where the Proposal has been submitted to a Modification Group prior to the Report Procedure;
- (d) An explanation of the Panel's rationale should the Panel form a different view of any matters contained in the Modification Group Report; and
- (e) A summary of the representations made by Parties and interested third parties during the consultation undertaken in respect of the Proposed Modification and any Alternative Modification.

4 HISTORY OF PROPOSED MODIFICATION

Modification Proposal P22 was raised by Dynegy UK Limited on the 22 June 2001 and subsequently considered by the Panel on the 28 June 2001, where it was agreed that the P22 Group should proceed with a Definition Report.

A Definition Report was considered by the 26 July 2001 Panel meeting. The Panel instructed the Group to proceed to the Assessment Procedure. The Panel also asked the Group to explore the publication of data to support the Modification on both the BMRS and the ELEXON web site.

During the Assessment Procedure the Group published a consultation paper based on the issues identified in the in the Definition Report. 12 responses were received as part of this consultation exercise that were duly considered by the Group. The Group concluded that no new arguments were presented by consultees that had not previously been identified and considered by the Group.

During the Assessment Procedure the Group considered the relative merits of publishing the two data sets, defined within the original proposal, against the Applicable BSC Objectives and concluded that an Alternative Modification that sought to only publish one of those data sets (Output Usable) would, as compared with the Original Modification Proposal P22 better facilitate the Applicable BSC Objectives.

The Assessment Report was presented to the Panel on 20 September 2001 where the Panel agreed to proceed to the Report Procedure on the basis of the recommendations presented in the Assessment Report. In addition, the Panel requested that NGC and ELEXON consider if it would be possible to complete the work necessary to implement the Alternative Modification sooner than the recommended Implementation Date.

NGC have stated that due to other commitments it could not guarantee that the necessary work to implement P22 would be complete to an adequate standard any earlier than the 1 April 2002. NGC and ELEXON have considered alternative interim solutions but note that these would all incur additional costs and require the same resources as, thus diverting them from, the enduring solution. NGC and ELEXON have accordingly concluded that an interim solution should not be pursued.

5 DESCRIPTION OF PROPOSED MODIFICATION

This section describes the Alternative Modification Proposal as defined by the Group and endorsed by the Panel. For additional information regarding the original Modification Proposal please see the P22 Definition Report and the P22 Assessment Report.

Ten data sets are defined for the Alternative Modification Proposal. These include 5 data sets publishing Output Usable data by ¹NGC Transmission Zone and 5 that publish Output Usable data at the National level, i.e. for the whole NGC Transmission system. The table below sets out the 10 Output Usable data sets (a) to (e ii). Each of the data sets described below will be obtained from NGC and made available on the ELEXON web site.

	DATA	UNITS	RELATING TO PERIOD	FREQUENCY (Business Days only)
a	Peak Daily Settlement Period MW Output Usable per NGC Transmission Zone	MW	2 – 14 days ahead	Daily (when published pursuant to the Grid Code)
a ii	Peak Daily Settlement Period MW Output Usable for the NGC Transmission system	MW	2 – 14 days ahead	Daily (when published pursuant to the Grid Code)
b	Peak Daily Settlement Period MW Output Usable per NGC Transmission Zone	MW	2 – 49 days ahead	Weekly (when published pursuant to the Grid Code)
b ii	Peak Daily Settlement Period MW Output Usable for the NGC Transmission System	MW	2 – 49 days ahead	Weekly (when published pursuant to the Grid Code)
c	Peak Weekly Settlement Period MW Output Usable per NGC Transmission Zone	MW	2 – 52 weeks ahead	Weekly (when published pursuant to the Grid Code)
c ii	Peak Weekly Settlement Period MW Output Usable for the NGC Transmission System	MW	2 – 52 weeks ahead	Weekly (when published pursuant to the Grid Code)
d	Peak Weekly Settlement Period MW Output Usable per NGC Transmission Zone	MW	1 – 2 years ahead	6 Monthly (when published pursuant to the Grid Code)

¹ There are currently more than 30 active NGC Transmission Zones, although this number is expected to reduce when NGC undertake a review of zone definitions prior to implementation of the Modification to remove zones that give explicit information about particular generating stations. In addition, A Grid Code consultation exercise is currently underway which, amongst other things, looks to define the term 'System Zone'.

d ii	Peak Weekly Settlement Period MW Output Usable for the NGC Transmission System	MW	1 – 2 years ahead	6 Monthly (when published pursuant to the Grid Code)
e	Peak Weekly Settlement Period MW Output Usable per NGC Transmission Zone	MW	3 – 5 years ahead	6 Monthly (when published pursuant to the Grid Code)
e ii	Peak Weekly Settlement Period MW Output Usable for the NGC Transmission System	MW	3 – 5 years ahead	6 Monthly (when published pursuant to the Grid Code)

It should be noted that the MW Output useable figure for the NGC Transmission system may not be equal to the sum of the values for all NGC Transmission Zones as some zones may overlap.

The definition of NGC Transmission Zones is also included within the Alternative Proposal, the definition will be published on the ELEXON web site. These will be updated if NGC make amendments to the Zone definitions.

6 RATIONALE FOR PANEL RECOMMENDATIONS

The Panel, at its meeting on the 20 September 2001, agreed with the findings of the Group, as presented in the P22 Assessment Report. The Group recommended to the Panel that they recommend to the Authority that the Alternative Modification proposal be adopted with an implementation date of 1 April 2002, subject to a positive Authority decision by 1 December 2001.

The Panel agreed that the original Proposal gave rise to a potential conflict between the Applicable BSC Objectives and that the Alternative Proposal, as compared to the original, better facilitated the Applicable BSC objectives.

Some Group Members felt that the original Modification Proposal gave rise to a 'trade-off' between two of the BSC objectives. Those Group Members suggested that, objective (ii) associated with efficiency of system operation was, to some extent, in conflict with objective (iii) associated with efficient market operation. Those Group Members felt that this conflict arose because of the potential for the quality of data received by the System Operator to decrease as a result of wider dissemination.

The Group noted that the original Proposal sought to address two different information asymmetries that are suggested to be apparent in the current arrangements. These are: (1) an asymmetry between generators and non-generators and (2) an asymmetry between NGC and all other BSC Signatories. Each of these are discussed in more detail below.

6.1.1 Generator and Non-Generator Asymmetry

The asymmetry associated with generators and non-generators results from access by generators to Zone specific Output Usable data. The majority of the Group believed that the publication of Output Usable data would remove this asymmetry and, consistent with BSC Objectives, better promote effective competition in the generation and supply of electricity.

Some Group Members expressed the view that the asymmetry of access to Output Usable data could equally effectively be removed by not providing it to generators as opposed to providing it additionally to non generators. This approach would be a matter for NGC and the Grid Code and therefore outside of the scope of the BSC and the remit of the Group.

6.1.2 NGC Asymmetry

The asymmetry associated with NGC and all other BSC Signatories results from access by NGC to generator Outage plans (indicative and firm) for a period up to five years in advance. Whilst some Group Members thought that removing this asymmetry by publishing the data to all BSC Signatories would better facilitate BSC Objectives others did not.

It was argued by some Group Members that NGC as a "major player" in forwards markets could, in principle, use its access to generator Outage data for commercial gain. Publishing generator Outage data to all BSC Signatories would help to "level the playing field".

Some Group Members noted that NGC has a unique position within the market. It is subject to a number of licence conditions designed to ensure that Outage data is used for prescribed purposes only. This is a matter for the Licensing Authority and need not be addressed through the BSC.

6.2 Assessment of the Alternative Proposal Against BSC Objectives

Three primary arguments were developed by the Group as to why the Alternative Proposal better achieves the Applicable BSC Objectives. The following paragraphs explain these three arguments.

The majority of the Group believed that the alternative Proposal better facilitates BSC Objectives, as compared to the original Proposal, as it does not give rise to the conflict between BSC Objectives present in the original Proposal. Notably because the Alternative seeks only to publish Output Usable data not Outage data. Thus the conflict between Objective (ii) associated with efficiency of system operation and Objective (iii) associated with efficient market operation did not arise.

The Group noted that part of the Proposer's rationale for seeking to publish the additional data sets defined in the original Proposal was to remove asymmetries in access to data present in the current arrangements. It is argued that publication of Output Usable data aggregated by NGC Transmission Zone directly removes the asymmetry associated with generators and non generators, discussed in section 5.2.1. The publication of zonal Output Useable data could potentially, depending on the definition of zones, provide data relating to single generating stations. NGC have indicated that "an additional review of these zones prior to implementation of the modification will be necessary to remove zones which give explicit information about particular generating stations". This is therefore considered to be a matter for NGC and the Grid Code.

The majority of the Group also noted that publishing Output Usable data aggregated by NGC Transmission Zone was merely extending the publication of an already available data set (albeit to only a subset of the market). Therefore secondary, potentially complex, issues associated with the publication of market sensitive information and the mechanisms and timing of such publication which might be governed under financial service legislation were unlikely to arise.

Some Group Members suggest that unless the definition of NGC Transmission Zones is published an asymmetry of access to market information would remain. If the Zone definitions are not published only generators within a Zone where there is a shortfall would be aware which Zone such shortfall is in. The Alternative Proposal therefore includes the publication of the definition of NGC Transmission Zones. NGC note that if zone definitions are published to maintain commercial confidence of individual generators current Zones may need revision to ensure that no Zone contains a single generating unit.

7 LEGAL TEXT TO GIVE EFFECT TO THE PROPOSED MODIFICATION

This section provides the draft BSC sections required to give effect to the Alternative Modification Proposal P22. The enclosed draft Code changes have been reviewed by ELEXON's legal advisors and were published in the Modification Assessment Report. The draft Code changes were also consulted on as part of the Draft Modification report consultation exercise.

It should be noted that the changes detailed below are dependent on a reciprocal amendment to the Grid code that will define a new term 'System Zone'. The Grid Code amendments will be managed by NGC but shall be performed in line with the change co-ordination arrangements established under section F1.6 of the BSC.

BSC Parties may also wish to note that 'Zone' (without a prefix) is already a defined term, in section X. 'Zone' (without a prefix) currently refers to the 5 BMRS Zones. To avoid confusion the term 'Zone' will be replaced with the term 'BMRS Zone'.

7.1 Clean Version

Throughout the BSC the term 'Zone' shall be replaced with the term 'BMRS Zone'.

SECTION Q

Insert as new paragraph 6.4:

6.4 Submission of generation data to BSCCo

6.4.1 In this paragraph 6.4:

- (a) Genset, ²System Zone and Output Usable have the meanings given to those terms in the Grid Code;
- (b) references to Output Usable are to the Output Usable data for the time being provided to the Transmission Company by the relevant User pursuant to the Grid Code;
- (c) "Zonal Output Usable" means the sum of Output Usable for all Gensets in a System Zone plus expected Interconnector transfers into that System Zone, and "Total Output Usable" means the sum of Output Usable for all Gensets plus expected Interconnector transfers into the Transmission System;
- (d) times by which the Transmission Company is required to send data to BSCCo are target times, which the Transmission Company is expected to meet unless abnormal circumstances prevent it from doing so.

6.4.2 The Transmission Company shall send to BSCCo the data set out in the table below with the frequency and by the times respectively set out in the table below:

DATA	FREQUENCY	TARGET TIME
2–14 day ahead daily Zonal Output Usable for each System Zone and daily Total Output Usable – daily peak half hour	Whenever provided to any User pursuant to the Grid Code	16:00 Daily on Business Days only

² An amendment is required to the Grid Code to include a definition for the new term 'System Zone'.

values		
2–49 day ahead daily Zonal Output Usable for each System Zone and daily Total Output Usable – daily peak half hour values	Whenever provided to any User pursuant to the Grid Code	Weekly at 17:00 on Fridays
2–52 week ahead weekly Zonal Output Usable for each System Zone and weekly Total Output Usable – weekly peak half hour values	Whenever provided to any User pursuant to the Grid Code	Weekly at 17:00 on Fridays
1-2 year ahead weekly Zonal Output Usable for each System Zone and weekly Total Output Usable – weekly peak half hour values	Whenever provided to any User pursuant to the Grid Code	Twice each year at about 6 month intervals
3-5 year ahead weekly Zonal Output Usable for each System Zone and weekly Total Output Usable – weekly peak half hour values	Whenever provided to any User pursuant to the Grid Code	Twice each year at about 6 month intervals

6.4.2 The Transmission Company shall send to BSCCo the System Zone boundaries. If pursuant to the Grid Code any changes are made to System Zone definitions these shall be forwarded to BSCCo by the Transmission Company prior to implementation and whenever provided to any User pursuant to the Grid Code.

Renumber existing paragraph 6.4 as paragraph 6.5.

SECTION V

Amend paragraph 1.1.5(a) to read:

- (a) the obligations of the Transmission Company to send specified data to the BMRS and BSCCo pursuant to Section Q6;

Insert as new paragraph 4.4:

4.4 Generation data

- 4.4.1 BSCCo shall arrange for the data set out in Table 8 in Annex V-1 to be published on the BSC Website and revised from time to time as soon as reasonably practicable after BSCCo receives such data from the Transmission Company pursuant to Section Q6.4.
- 4.4.2 Where such data is received by BSCCo from the Transmission Company on a day which is not a Business Day or after the close of a Business day, BSCCo shall publish such data on the BSC Website on the next following Business Day.

Insert as new Table 8 in Annex V-1:

TABLE 8 – GENERATION DATA PUBLISHED ON BSC WEBSITE

Notes:

1. In this table terms shall have the meanings given to them in Section Q6.4.

2. Column 1 (data) specifies the data to be published and the day, week or other period to which the data relates.

DATA
2–14 day ahead daily Zonal Output Usable for each System Zone and daily Total Output Usable – daily peak half hour values
2–49 day ahead daily Zonal Output Usable for each System Zone and daily Total Output Usable – daily peak half hour values
2–52 week ahead weekly Zonal Output Usable for each System Zone and weekly Total Output Usable – weekly peak half hour values
1-2 year ahead weekly Zonal Output Usable for each System Zone and weekly Total Output Usable – weekly peak half hour values
3-5 year ahead weekly Zonal Output Usable for each System Zone and weekly Total Output Usable – weekly peak half hour values
System Zone boundaries

ANNEX X-2

Insert new definitions (in appropriate alphabetic place) in Table X-2:

Defined Term	Units	Definition/explanatory text
Output Usable	MW	Has the meaning given to that term in the Grid Code.
System Zone		Has the meaning given to that term in the Grid Code.
Total Output Usable	MW	Has the meaning given to that term in Section Q6.4.
Zonal Output Usable	MW	Has the meaning given to that term in Section Q6.4

8 ASSESSMENT

This section presents a summary of the Groups assessment of the issues associated with Modification Proposal P22, the full Assessment Report as considered by the Panel on 20 September provided a more complete description of the Groups considerations and can be found on the ELEXON web site.

The original Modification Proposal as submitted by the Proposer was necessarily documented at a business, or high, level. On further investigation the Group identified that a number of options were present within Modification Proposal P22. The identified options were primarily associated with precisely “*what*” data might be published and “*how*” that data might be published. Each of these is discussed below.

The Group were also mindful of the fact that NGC had advised as part of their impact assessment that if the original proposal were implemented they would advise that all genset data sent into them by generating companies would need to be transferred electronically. This electronic transfer is designed to mitigate against the possibility of transcript errors associated with individual gensets being published. The Group considered that the original proposal could therefore impose a significant impact on those generators that do not currently use electronic data transfer mechanisms into NGC, currently indicated by NGC to be around half.

8.1 Data Options

Two main questions were identified when the Group were considering “*what*” should be published, these were (1) what level of aggregation for the various data sets is most appropriate and (2) which data sets better facilitate BSC objectives?

Aggregation

In terms of what level of aggregation was most appropriate, the Group identified three options

- i. No aggregation
- ii. Aggregation to NGC Transmission Zone
- iii. Aggregation to BMRS Zone

The majority of the Group concluded that publishing data which is aggregated by NGC Transmission Zone is preferable as it is consistent with current publication formats and does not identify individual generating stations thereby potentially commercially disadvantaging them.

Data Sets

As requested by the Panel a consultation exercise was undertaken during the Assessment Procedure that included questions associated with the better facilitation of BSC objectives. Consultation responses were broadly split as to whether the publication of only one or both proposed data sets (Output Useable and / or Outage data) better facilitated BSC Objectives.

The majority of the Group believe that publishing only generator Output Usable data better facilitates BSC objectives as it removes the asymmetry of access to the data but does not give rise to the potential reduction in the quality of planning data available to the Transmission Company.

8.2 Publication Mechanism

Consistent with the Panels request the Group considered two options for the publication of data under Modification Proposal P22, these are:

- i. The BMRS; or
- ii. The ELEXON website.

Both publication mechanisms were considered for each of the options identified by the Group, although the Group felt, given the initial purpose of the ELEXON website, that the data would probably be more appropriately published on the BMRS. However on consideration of the impact assessment analysis from the BMRA and ELEXON the Group, bearing in mind BSC Objective (iv) associated with efficiency in the implementation of the trading arrangements, decided that publishing the data via the ELEXON website was preferable as the change could be effected sooner and at lower cost. The Group also noted that if Parties, in future, felt that the data was more appropriately published via the BMRA then a Change Request could be raised. Such a Change Request would be subject to industry impact assessment and could be incorporated within another BSC Systems project and therefore potentially benefit from economies of scope and scale.

The Group wish to note that the quotations received from the BMRA and ELEXON for the provision of data are not identical and that the services provided by each differ in terms of reliability, service levels and connectivity, however the difference in cost is so significant as to be outrageous.

9 SUMMARY OF REPRESENTATIONS

This section provides a summary of responses received during the consultation on this Draft Modification Report, copies of all consultation responses are included in Annex 1.

11 representations were received in response to the consultation on the draft Modification Report representing the views of 44 Parties. Of these responses: -

- 8 responses, supported implementation of the Alternative Modification and rejection of the original Modification Proposal.
- 1 response, supported implementation of the Original Modification and rejection of the Alternative Modification Proposal.
- 1 response did not support implementation of the original or Alternative Modification Proposal and one response made no comment.

As with the Assessment Report consultation the Group notes that it is not the number of respondents supporting or opposing a particular aspect of a Modification Proposal that is important but the quality of argument presented in support of a particular view. Overall the Group agree that no new substantive arguments were presented during the consultation on the Draft Report that were not previously considered by the Modification Group.

ANNEX 1 – REPRESENTATIONS

Responses from P22 Modification Report Consultation

Representations were received from the following parties:

No	Company	File Number
1.	London Electricity	P22_MR_001
2.	SSE Energy Supply Ltd	P22_MR_002
3.	Dynegy	P22_MR_003
4.	SEEBOARD	P22_MR_004
5.	British Gas Trading	P22_MR_005
6.	Scottish Power UK Plc	P22_MR_006
7.	TXU Europe Energy Trading Ltd	P22_MR_007
8.	Innogy	P22_MR_008
9.	British Energy plc	P22_MR_009
10.	NGC	P22_MR_010
11.	Powergen	P22_MR_011

P22_MR_001 – London Electricity

Thanks for the chance to comment on P22. We would like to re-iterate our support for Mod 22 in its original intent, namely the release of the MW output usable by zone - without further identifying the zones - to all BSC Parties.

The information should not be at the BM unit level. Just aggregated by zone.

Regards

Paul Mott for London Electricity, South Western Electricity, Jade Power, Lenco and Sutton Bridge Power

P22_MR_002 – SSE Energy Supply Ltd

Response on behalf of SSE Generation Limited, SSE Energy Supply Ltd, Keadby Generation Ltd and Keadby Developments Ltd.

As stated in our response to the previous round of consultation, we support in principle any modification that will equalise access to information for participants. However we remain unconvinced that there is a material issue at stake in this case. We have particular concerns regarding any plan to publish generator specific outage plans on the basis that we believe this would give rise to a significant reduction in the quality of planning data received by NGC.

On this basis our preference is for the alternative modification proposal, with information being provided by NGC, rather than being duplicated by generators.

Our preference would be to have information provided by BMRS zones on the basis that this would clearly avoid issues of commercial sensitivity. However we note the suggestion that NGC could amend NGC zones. We believe that in the interest of the applicable BSC objectives, this should be a fundamental requirement of the alternative proposal. It is important that zones don't give explicit information about particular generating stations. Although a matter for NGC and the Grid Code we believe this must be addressed as part of this modification proposal. It is also essential that new zone definitions are published.

For consistency our initial preference would be for information to be published on the BMRS. It is disappointing to note that once again, following impact assessment, it has been found that this is not practical. I am not aware that the Elexon website was originally intended for this purpose and the fact that information will be split over two sites creates inefficiencies. Ideally this should only be considered as an interim solution but on the otherhand we are keen to ensure that this modification is implemented at minimal cost.

I hope you find these comments useful.

Regards
Beverley Grubb
Market Development
SSE Energy Supply Ltd

P22_MR_003 – Dynegy

Modification Proposal P22: The provision of generator planned outage information to all BSC signatories.

Dynegy are fully aware of the modification group's recommendation to the Authority, that the alternative modification should be implemented, which involves the publication of output usable data only.

The original proposal addressed two element of asymmetry, first the asymmetry between generators and non-generators, and secondly an asymmetry between NGC and all other BSC signatories.

Dynegy do not believe that the alternative modification proposed by the majority of the modification group better fulfils the relevant BSC objectives in comparison to the original modification. The implementation of the original proposal has a significant advantage in that it creates a level playing field in both areas of concern.

Firstly, we still believe that generators are able to work out the site specific information from the data release now being proposed. In time, with experience the same should be true for other players, but at the present time the alternative gives incumbents an advantage.

Secondly, it is vital to ensure that all information available to NGC is also provided to all market participants, in order to promote effective competition in the generation and supply of electricity, and thus promoting such competition in the sale and purchase of electricity. NGC as System Operator (SO) is active in the forward market and therefore has the ability to distort the forward market and the balancing mechanism by not making information available to all players. The unfair advantage NGC obtains by being the sole party to have access to such data results in a less efficient market being developed than may otherwise be achieved.

Finally, Dynegy do not believe that a majority view within a modification group necessary constitutes the correct recommendation for the Authority. We believe it is not acceptable to recommend a modification on the basis that a group of market participants have been capable to gather collectively and voice their similar opinions, influencing the recommendation. The recommended modification should better fulfil the relevant BSC objectives which the original proposal achieves in comparison to the alternative.

Dynegy would therefore recommend to the Authority that when this modification report is send to it for acceptance, that Ofgem should reject the alternative and accept the original proposal.

Yours sincerely,
Rekha Patel
Power Regulatory Analyst

P22_MR_004 – SEEBOARD

We have no further comments on this proposal.

Sue Fraser
for DAVE MORTON
0190 328 3465

P22_MR_005 – British Gas Trading

Thank you for the opportunity for commenting on this Modification Proposal. British Gas Trading (BGT) support implementation of the suggested alternative modification proposal as recommended by the Modification Group and the BSC Panel.

We believe the Alternative modification will further the Applicable BSC Objectives particularly by promoting effective competition in generation and supply of electricity. The provision of Output Usable data to all Parties will create a more equitable environment between generators and supplies.

Yours faithfully

Danielle Lane

Transportation Analyst

P22_MR_006 – Scottish Power UK Plc

A.1.1

After further consideration of the above proposal and the Draft Modification Report, I refer you to our previous comments at the assessment stage. We supported the Panel's recommendation then and while the latest proposal has not contained fully our own preference, we have no substantive view on the issues raised in the Report.

I trust you find these comments helpful, and please do not hesitate to contact me should you wish to discuss any points further.

Yours sincerely,

Man Kwong Liu
Scottish Power UK Plc, Manweb Plc and Emerald Power Generation Ltd

P22_MR_007 – TXU Europe Energy Trading Ltd

TXU Europe Energy Trading Ltd (on behalf of 14 TXU companies) support the proposal to implement the alternative modification for the reasons given in our responses to the earlier consultations in relation to this proposal.

Regards

Nicola Lea
Market Development Analyst
TXU Europe Energy Trading Ltd

P22_MR_008 – Innogy

The Innogy Group of Companies ie

Innogy plc, Innogy Cogen Ltd, Innogy Cogeneration Trading Ltd, npower Ltd, npower direct Ltd, npower northern Ltd, and npower Yorkshire Ltd support the P22 Alternative Modification as outlined in the Draft Modification Report dated 26/09/01.

Terry Ballard
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P22_MR_009 – British Energy plc

BSC Modification Proposal P22 - Provision of Generator Planned Outage Information to All BSC Signatories

British Energy does not support the original modification or the alternative, and does not consider that they assist in achieving the applicable BSC objectives:

1. Release of outage information could discriminate against base-load and non-portfolio generators by potentially revealing the future commercial position of such companies in a manner which is not revealed for other participants, nor for companies in other industries. Future availability for marginal or portfolio generators reveals relatively little about planned expected physical operation, and individual suppliers and other participants are not required to provide equivalent information.
2. Release of such information could weaken the incentives on generators to provide accurate information to NGC for planning purposes, which would act against the interests of participants in general and consumers in particular.
3. Indicative information may be misinterpreted as firm data.
4. The BSC is not the appropriate governance to consider Grid Code data and its availability.

We believe that a more effective way of pursuing equality of information provision would be for output usable data not to be available at all, except to NGC.

Referring to the detail of the modification report, we have the following comments:

4. The alternative modification proposal to publish "anonymised" zonal data is preferable to the original modification, in that it retains an element of commercial confidentiality of company plans. The Grid Code Review Panel should be empowered to consider the Grid Code zonal definitions to ensure anonymity of individual company plans.
5. The proposed legal drafting should avoid duplication. The table of Grid Code data proposed to be published should be stated once only, in Section V, and referred to only by reference in Section Q.
6. The legal drafting should refer to "Grid Code generator planning data" rather than simply "generation data".
7. Data may only be available under the Grid Code on business days. The tables specifying the data to be published should specify when the data is intended to be published - the date not just the time.
8. Grid Code OC2 data is continually updated. Should the drafting indicate that at any given time the data published will be the latest available? What if new data becomes available to NGC / BSCCo before the previous data has been published?

Martin Mate
For
British Energy Power & Energy Trading Ltd

British Energy Generation Ltd
Eggborough Power Ltd

P22_MR_010 – NGC

Modification Proposal P22: The Provision of Generator Planned Outage Information to all BSC Signatories: National Grid Response to Modification Report Consultation

In line with information we have provided during the progress of the Modification we believe that the Alternative Modification better meets the BSC Objectives than the Original Modification. The BSC drafting which implements this modification interacts with the Grid Code OC2 process. The comments below on the proposed BSC drafting are designed to improve consistency with the current OC2 process. In addition we suggest that the BSC drafting should be as flexible as possible to ensure that it does not unduly interfere with governance of the OC2 process under the Grid Code.

1. It is intended that the Grid Code will be modified to use the term “System Zone” rather than “Transmission Zone”. This proposed terminology should be reflected in the BSC text.
2. The definition of “Zonal Output Usable” and “Total Output Usable” in proposed paragraph Q6.4c should be extended to include the capability of any appropriate Interconnectors.
3. In paragraph 6.4 c the “Total Output Usable” may not be the sum of “Zonal Output Usables” for all the zones. This is because the zones may overlap each other causing duplication, or a Genset may not be included in any System Zone. Hence the section should end with the word “Gensets;” and the words “in all Transmission Zones of Output Usable” should be deleted.
4. Section 6.4.2 defines data, frequency and target times defined in the Grid Code, and these could be subject to review in the future. The effect of including this timetable in the BSC will be to make it more difficult to undertake a review of the OC2 process, as any changes to the Grid Code OC2 process will require a subsequent BSC modification. We would recommend that the data, frequency and target times should all be “as defined in the Grid Code”. If this is not possible and the BSC drafting needs to specify the data and the target times separately from the Grid Code it will be important to all allow flexibility in the frequency column. We would suggest the frequency column could read “to match the publication frequency under the Grid Code up to a maximum of (daily/weekly/twice yearly *depending on the data item*)”.
5. One particular issue with reference to the issues mentioned in paragraph 4 is that the current OC2 process only requires “2-49 day ahead daily Zonal Output Usable for each Transmission Zone (OU) and Daily Total Output Usable – daily peak half hour values” to be sent out under certain circumstances. We do not regularly calculate this data and we do not want to be obliged to produce this data for the BSC when it is not required under the Grid Code.
6. Daily data will only be sent on business days, with weekends and bank holidays submitted on the last business day prior to the day in question. Weekly data will be submitted by 17:00 on Friday of the week in question. No time should be specified against the 1-2 year ahead weekly data and the 3-5 year ahead weekly data in the table in 6.4.2. The Grid Code requirement is to send out this data by the end of the appropriate week. The weeks are not exactly six months apart so it may be better to indicate that the frequency is twice per year.
7. Similar comments to the table in Q6.4.2 are applicable to Table 8 in Annex V-1.

Nigel Brooks

9 October 2001

P22_MR_011 – Powergen

Powergen UK Plc has supplied the following comments on behalf of itself and the following BSC Parties: Powergen Energy plc, Diamond Power Generation Limited and Cottam Development Centre Limited.

I would like the group to know that Powergen support the Alternative Modification Proposal. Powergen would also have preferred the resultant data to have been published on the BMRS as we believe that the BMRS should be the preferred place for market information. However, we acknowledge that the somewhat large differences in cost preclude the use of the BMRS and publishing such data on the Elexon website is the only viable option.

regards
chris price