

Subject: Consultation on Modification Proposal P7

You are invited to provide comments on Modification Proposal P7: Allocation of Supplier Demand to Same BM Unit in a GSP Group. A copy of the proposal and any related documentation (including ELEXON's Initial Written Assessment of the proposal and relevant BSC Panel papers) can be downloaded from:

http://www.elexon.co.uk/ta/modifications/mods_docs.html

At its meeting on 03 May 2001 the BSC Panel agreed that this proposal should be submitted to a Modification Group under the Definition Procedure as described in section F2.5 of the Code. The Modification Group is tasked with reviewing the Modification Proposal with a view to providing clarification and definition where there is insufficient detail in the proposal to allow the Panel to decide whether to proceed with a detailed evaluation. The Modification Group must prepare a written report for the Panel that includes the following matters (see BSC F2.5.4):

a) An assessment of the issues raised by the Modification Proposal with supporting information and data to explain the effect of such issues by reference to the Applicable BSC Objective(s); and

b) An analysis of whether (and, if so, to what extent) the issues raised by the Modification Proposal warrant further assessment and evaluation under the Assessment Procedure.

It would therefore be helpful if, in formulating your comments on this proposal, you could include views or information on the above points.

The Modification Group will focus on the following issues:

Clarification of the proposal and the 'embedded benefits' to which it refers; and

Establishing what existing mechanisms are currently available in the trading arrangements that may meet (or partially meet) the objectives of the proposal.

The deadline for submission of comments on this proposal has been set such that the Modification Group will be able to consider all representations when it first considers the proposal.

Please send your comments by 17:00 on Monday 14 May 2001 to the following e-mail address:

modifications@elexon.co.uk

Please entitle your e-mail 'P7 Definition Comments'

Thank you.

