

Responses from P94 Draft Report Consultation

Consultation issued 26 July 2002

Representations were received from the following parties:

No	Company	File Number	No. Parties Represented
1.	TXU Europe	P94_MR_001	21
2.	Dynergy	P94_MR_002	1
3.	YEDL/NEDL	P94_MR_003	2
4.	SEEBOARD	P94_MR_004	1
5.	British Gas	P94_MR_005	1
6.	LE Group	P94_MR_006	1
7.	British Energy	P94_MR_007	3
8.	Scottish Power	P94_MR_008	5
9.	Scottish and Southern	P94_MR_009	4
10.	Aquila Networks	P94_MR_010	1
11.	Entergy-Koch Trading Limited	P94_MR_011	1
12.	National Grid	P94_MR_012	1

P94_MR_001 – TXU Europe

Thank you for the opportunity to comment on P94 (Introduction of a Process to Allow Modification Reports to be Recalled from the Authority for Legal Drafting to be Corrected if Working Assumptions Prove Incorrect). This response is sent on behalf of all TXU Europe companies.

TXU fully supports this proposal. It is a sensible approach which avoids the situation whereby a modification has to be rejected and re-submitted because there has been an error in the legal drafting which could be rectified prior to the Authority reaching a decision, this will improve efficiency in the governance of the Balancing and Settlement Code.

Yours faithfully

Nicola Roberts
Market Development Analyst
TXU Europe Energy Trading Ltd

P94_MR_002 – Dynergy

Dynegy supports both of these modifications as we believe that they both better fulfil the relevant objectives, particularly by improving the efficiency of the implementation and administration of the BSC. The more we can do to streamline change and to cut the bureaucracy of the modification process the easier it will be for the market to respond to changes and to maintain an efficient system that operates to the benefit of UK customers by promoting competition.

Dynegy hopes that the Panel will recommend to the Authority that both proposals are accepted.

Lisa Waters
Director Government Affairs

P94_MR_003 – YEDL/NEDL

Our comments are that we agree with P94 for both YEDL and NEDL

Sue Calvert
Distribution Change
System Investment

P94_MR_004 – SEEBOARD

With respect to above mentioned proposal and its draft modification report, dated 26th July. We agree with recommendations within section 1.1 of this

report and options for implementation dates detailed therein.

Dave Morton
SEEBOARD Energy Limited

P94_MR_005 – British Gas

Modification Proposal P94: Introduction of Process to Allow Modification Reports to be Recalled from the Authority for Legal Drafting to be Corrected if Working Assumptions Prove Incorrect

Thank you for the opportunity of responding to this Draft Modification Report. British Gas recognise that there is an issue associated with legal text for some modification proposals awaiting the Authority's decision being superseded by the approval of other proposals. As such we support the aims of the Draft Modification Report but would like to draw to the Panel's attention some areas for consideration.

We believe that there needs to be a degree of flexibility within the Code allowing minor textual changes, such as miss-aligned cross-references, to be amended whilst the proposal is with the Authority. It is undoubtedly more efficient for these to be dealt with directly by the Panel. However the legal drafting also provides for instances when the Panel becomes aware of a manifest error or minor inconsistency in the proposed legal text. Instances such as these are not defined and it is unclear from the legal drafting what would constitute a manifest error. The current modification process allows for detailed examination of the legal text and consequently it is hard to envisage any circumstance, except for cross-references, where the legal drafting should change without requiring further industry consultation. Furthermore, if a manifest error is identified it would seem appropriate to make re-consultation with the industry mandatory rather than at the discretion of the Panel or Authority.

We also note that on 25th July 2002 Elexon carried out a brief consultation on changes to legal text for a variety of modifications. When this consultation was circulated it was stated that *'These changes are of a minor nature and do not alter the intent or effect of any of the Modifications in question'*. This approach was pragmatic, efficiently undertaken and carried out under the BSC as currently drafted we therefore question the need for this modification proposal.

One reason this modification was raised is because occasionally there is a substantial delay between the Authority receiving proposals and making a decision. We would encourage the reasons for this to be explored. If the information in the reports to the Authority is inadequate or incomplete then the reports should be changed and not the BSC.

We hope these comments are helpful to you. Should you wish to discuss this issue further please do not hesitate to contact me on the above number.

Yours faithfully

Andrew Latham
Account Manager

P94_MR_006 – LE Group

P94

LE Group support the recommendation to implement this modification. The introduction of a process to allow the BSC Panel to call back a modification from the Authority if working assumptions are unclear or require revision better facilitates BSC applicable objective (d). We would also like to add that it is important that the industry is consulted when any changes that result from this process lead to a potential impact on market participants' systems or commercial operations; it is also important that the industry is informed whenever this process is invoked.

P94_MR_007 – British Energy

This modification allows for correction of legal drafting included with BSC modification reports where a separate change has been made which interacts with the modification or an error has been detected. This seems sensible to avoid the possibility of modifications being rejected or implemented with errors simply because the process is restrictive. Since it would reduce the need for possible further corrected modifications, it would enhance the efficiency of the BSC process and thus better facilitate the BSC efficiency objective. The Panel will need to give careful consideration to the need for further consultation on changes to the original modification report legal text, to ensure that participants have opportunity to express views on significant material changes.

Regards

Rachel Ace

on behalf of

British Energy Power and Energy Trading
British Energy Generation Ltd
Eggborough Power Ltd

P94_MR_008 – Scottish Power

P94 Draft Modification Report Comments

With reference to the above, we offer our support to P94 Modification Proposal.

We believe that P94 would minimise the raising of minor housekeeping mods, thus adding efficiency to the BSC process.

We have considered the legal drafting provided and agree that it is appropriate.

I trust that you will find these comments helpful. Nonetheless, should you require further clarification of any of the above, please do not hesitate to contact me.

Yours Sincerely,

Man Kwong Liu
Calanais Ltd.

For and on behalf of: - *Scottish Power UK Plc.; Scottish Power Energy Trading Ltd.; Scottish Power Generation Ltd.; Scottish Power Energy Retail Ltd.; SP Transmission Ltd.*

P94_MR_009 – Scottish and Southern

This response is sent on behalf of Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd. and SSE Energy Supply Ltd.

Further to your note of 26th July 2002, and the associated Modification Report for P94, we agree with the proposed BSC Panel recommendation to the Authority that this Modification Proposal P94 should be made.

If the Modification Proposal P94 is approved, we agree with the proposed BSC Panel recommendation on the timing for the Implementation Date, as outlined in Section 1.1 of the Modification Report.

Regards

Garth Graham
Scottish & Southern Energy plc

P94_MR_010 – Aquila Networks

Please find that Aquila Networks Plc response to P94 Consultation on draft Modification Report is 'No Comment'.

regards
Rachael Gardener

Deregulation Control Group &
Distribution Support Office
AQUILA NETWORKS

P94_MR_011 - Entergy-Koch Trading Limited

Entergy-Koch Trading Limited ("EKTL") supports the changes outlined in modification proposal P94.

The proposal introduces a useful degree of flexibility for changing the legal text of proposals in certain circumstances. This will allow more efficient and effective administrative processes. EKTL considers that this proposal improves the relevant objectives of the BSC and therefore supports the recommendation of the panel.

Yours sincerely,

Adam Cooper
Regulatory Affairs
Entergy-Koch Trading Limited

P94_MR_012 – National Grid

We agree with the proposed changes set out in Modification Report P94 - Introduction of Process to Allow Modification Reports to be Recalled from the Authority for Legal Drafting to be Corrected if Working Assumptions Prove Incorrect.

Clare Talbot
National Grid