



## P264 'Two-thirds majority requirement for Panel recommendations on licence originated Modifications' Consultation Responses

**Consultation issued on 25 February 2011**

We received responses from the following Parties

What stage is  
this document  
in the process?

**01** Initial Written Assessment

**02** Definition Procedure

► **03** Assessment Procedure

**04** Report Phase

Company	No BSC Parties / Non-Parties Represented	Role of Parties/non-Parties represented
Centrica	10/0	Supplier/ Generator/ Trader
Accenture (UK) Ltd. (for and on behalf of ScottishPower)	7/0	Supplier/ Generator/ Trader/ Consolidator/ Exemptible Generator/ Distributor
EDF Energy	10/0	Supplier/Generator/Trader/Consolidator/Exemptable Generator/Party Agent
Welsh Power	0/3	Generator and two future generators
RWE Npower	10/0	Supplier/Generator/ Trader / Consolidator / Exemptable Generator / Party Agent
Scottish and Southern Energy	9/0	Supplier / Generator / Trader / Consolidator / Exemptible Generator
Drax Power Limited	1/0	Generator
E.ON UK	6/0	Supplier / Generator / Trader / Consolidator / Exemptable Generator

Question 1: Would the Proposed Modification P264 help to achieve the Applicable BSC Objectives when compared to the current arrangements?

### Summary

Yes	No	Neutral/Other
8	0	0

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### Responses

Respondent	Response	Rationale
Centrica	Yes	<p>Where, in order to get changes proposed, in particular those resulting from an SCR where significant concerns have been raised, and Ofgem has needed to compel or obligate a proposer to step forward, then it is essential to take reasonable steps to ensure that all relevant appeal rights are maintained and/or enhanced as appropriate.</p> <p>Centrica therefore supports the Modification Group views in relation to BSC Objectives (a), (c) and (d).</p>
Accenture (UK) Ltd. (for and on behalf of ScottishPower)	Yes	<p>We agree with the group that the Proposed Modification would aid achievement of the following objectives:</p> <p>Objective a) ensuring that the process is open, clear and transparent to all will help National Grid better achieve Objective a. By setting a higher standard in cases where a contentious decision is to be made, the likelihood of appeal is reduced, ensuring a more efficient operation of the Licence.</p> <p>Objective c) Parties, especially smaller Parties, will be reassured that their right to Appeal has been reinforced. New entrants, likewise, can be reassured that large and contentious changes will not be sprung on them without more consideration and work being done in the analysis and decision making phases. This is one of the factors key to ensuring that investment can be safely made and maintaining stability.</p>
EDF Energy	Yes	<p>We believe the proposed modification would better facilitate Objective (c) as it would lead to improved checks &amp; balances within the governance process in respect of modifications that are made following a direction by the Authority. The proposal will potentially keep the appeals route open to parties in respect of modification proposals that result from a Significant Code Review (SCR) which might be complex and potentially contentious. This proposal should promote regulatory scrutiny and thereby increase market and investor confidence in the governance process.</p> <p>Furthermore, the proposal may better facilitate the achievement of Objective (d). Ensuring greater support in order to recommend complex/contentious modification proposals might result in fewer legal challenges to such proposals thereby leading to greater efficiency in implementing changes to the BSC.</p>

Respondent	Response	Rationale
Welsh Power	Yes	<p>It would be more efficient as it protects smaller parties right to appeal, as proposed by DECC, in cases where change may be foisted onto them.</p>
RWE Npower	Yes	<p>Modification P264 provides for additional checks and balances to be applied to the BSC Modification Panel arrangements pertaining to modifications which are raised as a result of the Authority compelling the Licensee to raise them. The application of two-thirds voting to this type of modification shifts the balance of votes required for the Panel to recommend a modification for implementation and thus increases the probability that the right to appeal to the Competition Commission will remain open to materially affected industry parties.</p> <p>This is particularly important for modifications raised under the direction of the Authority (e.g. Significant Code Reviews) since this type of modification is likely to be contentious and have a material impact on industry participants. The contentious nature of these modifications also means that it is less likely that the Panel will reach an overwhelming consensus due to the multi-party composition of the Panel.</p> <p>This better facilitates objective A of the BSC by ensuring that any recommendation made by the Panel is more robust than for Modifications not raised as a result of a License direction and therefore that parties are less likely to dispute the decision; therefore National Grid will be discharging their License obligations in the most efficient manner.</p> <p>Modification P264 also better meets BSC objective C by ensuring that smaller parties with minority interests which may not have the resources available to participate in the SCR process are more likely to be able to appeal to the Competition Commission if the modification is approved for implementation.</p>
Scottish and Southern Energy	Yes	<p>We note that the Proposer believes that the recent changes relating to SCR places the Authority in a position of "judge, jury and executioner" and that extra checks and balances should be introduced to ensure that a body cannot raise and decide upon change without the right to appeal being maintained.</p> <p>We concur with the majority of the Workgroup that, on balance, and as outlined by Ofgem in its SCR documentation, it would be more appropriate for this additional 'check &amp; balance' (as proposed with P264) be introduced into the BSC.</p>

Respondent	Response	Rationale
		We agree with the justifications detailed (on page 14 – section 8) of the consultation document that P264 does better meet the applicable BSC objectives and in particular (a), (c) and (d) (and is neutral to (b)).
Drax Power Limited	Yes	Drax believes that Proposed Modification P264 would help to promote Applicable BSC Objectives (a), (c) and (d) above the current baseline, in line with those reasons provided by the Group in the Assessment Consultation document.
E.ON UK	Yes	<p>We agree with the Group's arguments as documented in the Assessment Consultation that P264 supports BSC Objectives (a) and (d), but particularly (c).</p> <p>For any modification it is perhaps unfortunate that any Party's right to appeal implementation of a proposal directed by the Authority can be determined by one vote where the Panel is almost or equally divided on the merits of a solution. Such a situation would be particularly unwelcome in the 'judge, jury and executioner' situation of modifications that may be directed by the Authority to implement its preferred solution to a defect. Under the current voting arrangements this may hinder competition, deterring new entrants; as identified by the Group this could be particularly detrimental to small/niche Parties who might be disadvantaged by a contentious change that they might not have been able to engage in and could not appeal. By ensuring that such directed proposals are only recommended by the Panel and thus not appealable if they achieve 2/3 support not merely &gt;50%, P264 would go some way towards safeguarding such appeal rights. This would give greater confidence to both existing and Parties considering entering the market. Thus we see the main benefits of P264 being under Objective (c).</p>

## Question 2: What are the impacts and costs of the Proposed Modification on your organisation?

### Summary

Yes	None	Other
-	8	-

### Responses

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<b>Respondent</b>	<b>Response</b>	<b>Rationale</b>
Centrica	Zero	There would only be minor change required to process documents.
Accenture (UK) Ltd. (for and on behalf of ScottishPower)	N/A	There are no costs or impacts on us.
EDF Energy	-	No process or system costs are expected.
Welsh Power	-	As smaller parties, Welsh Power is concerned that the right to appeal modification in the case of any directions from the regulator are as strong as possible. We believe that there is a case for larger parties possibly being forced into raising modifications due to the nature of regulatory capture, etc... We say this with the transmission modifications a couple of years ago, where we do not believe that Nation Grid actually favoured an auction model, but raised it to keep the regulator happy. The requirement by DECC to allow appeals signalled the understanding that players must have route to question policy decisions' very nature, not simply the process or mental state of the regulator (i.e. a JR). Protecting these rights under this modification will therefore lower the perceived regulatory risk. Lower risk improves the competitive pressure in the market by lowering the barriers to entry and the costs of capital associated with operating in the market.
RWE Npower	-	No material impacts
Scottish and Southern Energy	-	We do not expect there to be any additional detrimental impacts or costs arising from the implementation of P264.
Drax Power Limited	-	There would be no direct costs of adverse impacts to Drax. There would be a positive impact to all BSC Parties in terms of promoting robust code governance arrangements.
E.ON UK	-	As only proposals receiving support from 2/3 of the Panel would be recommended, avoiding the potential for a 51:49% split of Panel views preventing an appeal, we would be reassured that Parties' rights to appeal the implementation of a modification effectively raised on behalf of and then decided by the Authority would be protected. This would reduce uncertainty by lowering the risk to all market participants, existing and prospective, that a major change with little industry support could be implemented without the opportunity for this to be challenged at the Competition Commission.

### Question 3: Do you support the Modification Group's preferred implementation approach?

#### Summary

Yes	No	Neutral/Other
8	0	0

#### Responses

Respondent	Response	Rationale
Centrica	Yes	-
Accenture (UK) Ltd. (for and on behalf of ScottishPower)	Yes	-
EDF Energy	Yes	We agree that, if approved, the changes to the voting arrangements should not apply to proposals raised prior to implementation. Implementation of 10 working days following Authority decision appears appropriate.
Welsh Power	Yes	-
RWE Npower	Yes	The proposed implementation appears appropriate.
Scottish and Southern Energy	Yes	We support the Workgroup's proposed implementation approach based on 10 Working Days after an Authority decision, and that it only applies to Modifications raised after the implementation date (for P264).
Drax Power Limited	Yes	The suggested implementation approach appears reasonable.
E.ON UK	Yes	Although we do not see P264 as being limited to proposals resulting from an SCR, now that SCRs are happening P264 should be implemented as soon as possible. There are arguments in favour of increasing the voting threshold for all modifications; the advent of SCRs and prospect of Authority-directed proposals makes this more desirable for such proposals at least.

### Question 4: Would potential alternative 1 provide any benefits over and above the Proposed solution?

#### Summary

Yes	No	Neutral/Other
4	4	

#### Responses

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Respondent	Response	Rationale
Centrica	No	<p>This alternative would create an unjustified disparity between modifications raised by the Transmission Licence holder and any other party.</p> <p>It would be perverse that the Transmission Licensee raised modifications, which they were not obligated to raise, and which relate to an SCR topic would require a higher threshold than those of other parties who raise a modification on the same topic. We do not believe this to be the appropriate or proportionate solution for addressing potential concerns relating to the Transmission Licensee being coerced to raise modifications and is unlikely to better facilitate competition (c).</p>
Accenture (UK) Ltd. (for and on behalf of ScottishPower)	Yes	<p>Alternative 1 would capture those SCR related Modifications which the Proposed would not. This is obviously a more complete solution to the identified defect.</p>
EDF Energy	No	<p>We do not think it is appropriate to change the recommendation arrangements for proposals raised by the licensee prior to an SCR phase. The SCR process was designed such that modification proposals raised outside the SCR process would follow the normal modification route. To do otherwise would decrease the transparency of the process such a proposal would follow. Furthermore, the defect as identified by the proposer is related to directed/licence obligated modifications, whereas this potential alternative would cover any SCR related modification raised by the licensee irrespective of whether it was directed or obligated to do so. It is questionable therefore whether this alternative is valid given this potentially discriminatory effect.</p> <p>Notwithstanding the comments above, we do recognise the merits of including two thirds majority recommendation on modifications raised during an SCR that have been subsumed or suspended. This will ensure that all modifications raised once an SCR has been initiated and which are linked to the SCR topic are treated consistently.</p>
Welsh Power	Yes	<p>The fact that the modifications may be raised before or during are equally valid reasons to higher the bar in terms of protecting the right of appeal. Ofgem may well have said they want an SCR and the licence holder has simply jumped the gun on raising the modification. Alternatively Ofgem has a new idea in the SCR, but is worried about process, so asks the licence holder to raise it.</p>
RWE Npower	No	<p>It appears inappropriate to extend the two-thirds</p>

Respondent	Response	Rationale
		<p>majority rule to any modifications which are not raised as a direct result of a direction by the Authority. By extending the rules to include all modifications raised before, during and after an SCR this could be discriminatory against the National Grid's ability to raise modifications. It is the Authority's powers which have been extended by the implementation of the SCR process and it is their power's which require the additional checks and balances to be applied to them, not the National Grid. Under the SCR process the Licensee is acting on behalf of the Authority (who are unable to raise modifications themselves) and not on behalf of National Grid as a corporate entity.</p> <p>As the SCR process stands, it is only at the end of the SCR phase that Ofgem can compel the Licensee to raise a modification so it is only to these modifications which the principle of a two-third majority Panel vote should be applied.</p> <p>However, if circumstances arise whereby the Authority do direct the Licensee to raise a modification before the end of the SCR process then a two-thirds majority should apply.</p> <p>Two-thirds majority voting should apply to any and all modifications raised as a result of direction by the Authority.</p>
Scottish and Southern Energy	Yes	<p>We agree with the majority of the Workgroup that there are additional benefits with the potential alternative 1 (as outlined on page 7).</p>
Drax Power Limited	No	<p>Alternative 1 may capture Modifications that genuinely have no connection to a given "licence obligated Modification" or were raised prior to the regulators involvement (direct or otherwise) in the Modification process.</p> <p>This potential alternative does not appear to be within the spirit of P264, which aims to promote good practice in code governance in relation to modifications where the regulator directs both the raising and the outcome of a given Modification. If this alternative is progressed, the Group must ensure that an adequate process is developed to avoid the capture of Modifications that are genuinely separate to "licence obligated Modifications". Such a process could be difficult to implement and police.</p>
E.ON UK	Yes	<p>Please note we are not convinced by the Consultation statements that that P264 Proposed solution focuses solely on those Modifications which Ofgem have directed, instructed or requested the Licensee to raise,</p>

Respondent	Response	Rationale
		<p>and which could be linked to an obligation to raise such a change in the Transmission Licence; nor to only those National Grid are obliged to raise as a result of an SCR conclusion. The Proposal refers to a licensee and all Parties have licences. It also refers to modifications directed to be raised as a result of an SCR as an example only. At any time other Parties could be directed (/obliged, coerced, encouraged etc.) to raise proposal(s) unrelated to any SCR; the first Group 25/08/10 did discuss this and this Group member did not note Group or Proposer agreement that the scope of the proposal was more limited than the Proposer may have intended.</p> <p>However whether only National Grid and/or only SCR-resultant proposals are affected, we agree with the Group that to cover all modifications that are also addressing the same issue raised by the Licensee before an SCR phase but not yet subject to a final Panel recommendation, or during or after an SCR, would be the most logical approach and prevent any manipulation of the system through timing the raising of such proposals.</p>

Question 5: Would potential alternative 2 (a) provide any benefits over and above the Proposed solution?

#### Summary

Yes	No	Neutral/Other
6	2	0

#### Responses

Respondent	Response	Rationale
Centrica	No	<p>Centrica believe that the defect in the current arrangements relates clearly to the issue of modifications for which there has been an obligation placed on the Transmission Licensee to raise. Centrica does not believe that certain topics should necessarily have a higher threshold simply because the Authority has chosen them for an SCR. It is only the modification which was raised out of obligation which requires the higher threshold as it is only this modification for which the Authority has had a direct hand in raising.</p> <p>A modification that is raised by a party when this is</p>

Respondent	Response	Rationale
		<p>not out of obligation but driven by market forces and where the party identifies clear benefits should follow normal (simple majority) modification procedures regardless of its subject matter. It should not be subject to a higher threshold than other modifications which are not part of an SCR topic (but could still be significant in nature). This would create a disparity between modifications in assessment potentially based on the Authority resources to carry out SCRs and their view of SCR suitability.</p> <p>This would be counter-productive to many of the arguments made by the modification group against the BSC objectives (particularly in regard to small players) because Parties who legitimately raise modifications they see as beneficial would face a higher threshold for an approval recommendation by the Panel than currently and these would unjustifiably be subject to a greater risk of appeal to the Competition Commission.</p>
Accenture (UK) Ltd. (for and on behalf of ScottishPower)	Yes	<p>Alternative Modification 2a builds on the Proposed Modification by increasing the scope to include Modifications raised during the SCR phase. Although better than the Proposed, it does lose the Modifications raised before the SCR that Alternative 1 adds.</p>
EDF Energy	Yes	<p>As referred to above we see merit in treating all modification proposals raised after an SCR is initiated and which are linked to the SCR topic consistently. This alternative would remove the potentially discriminatory effect of alternative 1.</p> <p>However, we do question whether applying two thirds majority recommendation to modification proposals that are not licence obligated is addressing the issue/defect identified by the proposer.</p>
Welsh Power	Yes	<p>Covers more modifications that may be subject to Ofgem pressure on the licence holder.</p>
RWE Npower	No	<p>The same rationale applies to potential alternative 2 (a) as to alternative 1; Two-thirds majority voting should apply to any and all modifications raised as a result of direction by the Authority, regardless of the circumstances under which they are raised. It is only those modifications which are raised as a result of direction by the Authority that should have the two-thirds majority threshold applied to them.</p>
Scottish and Southern Energy	Yes	<p>For similar reasons to those noted in Q4 above, we agree with the Workgroup that there are additional benefits with the potential alternative 2 (a) (as outlined on page 8). We note that this includes</p>

Respondent	Response	Rationale
		addressing the concerns expressed by a minority of the Workgroup with respect to potential alternative 1.
Drax Power Limited	Yes	<p>Alternative 2(a) appears to be the most attractive of the potential alternatives. Under a SCR situation, for example, it would be much easier to determine which Modifications are directly associated with the eventual "licence obligated Modification".</p> <p>The Modifications captured by Alternative 2 (a) are identified by way of them being subsumed or suspended as part of an ongoing SCR process. This demonstrates a clear connection with the regulators' process, given that action is required by either the regulator or the raising party to subsume or suspend a Modification.</p> <p>The distinct benefit of this alternative is that all Modifications that relate to a "licence obligated Modification" are treated exactly the same in terms of the recommendation voting process that will ultimately determine the ability of a party (or parties) to appeal. This also ensures that there would be no discrimination between Modifications raised (obligated or otherwise) by the Transmission Licensee and those raised by other industry parties.</p> <p>The disadvantage of this alternative is that the criteria (as described in the Assessment Consultation document) are SCR specific i.e. the subsuming and suspending of Modifications. P264 should capture all "licence obligated Modifications", whether raised by the Transmission Licensee under a SCR direction or by any other licensee under any further obligation(s) placed on BSC signatories.</p>
E.ON UK	Yes	<p>Likewise E.ON agrees with the Group that as subsumed or suspended Modifications will be seeking to address the same issue as the original proposal raised by a Licensee, for completeness these should be included so that the same higher voting threshold applies to all proposals raised on the same issue around the same time.</p>

## Question 6: Would potential alternative 2 (b) provide any benefits over and above the Proposed solution?

### Summary

Yes	No	Neutral/Other
4	4	0

### Responses

Respondent	Response	Rationale
Centrica	No	<p>For reasons similar to Q5 we do not support this alternative.</p> <p>Additionally, it would not be appropriate for the Panel to effectively decide if a modification is subject to a higher threshold on its own approval/rejection vote. This should be determined mechanistically.</p> <p>This alternative could effectively mean that when the Panel is deciding to approve or reject a modification it could, at the same meeting, determine that it relates to an SCR and therefore require a higher threshold. This decision, potentially taken at the same meeting as their final recommendation, could influence the approve/reject outcome of controversial modifications. It could therefore put individual panel members in a position where their vote for a higher threshold effectively determines whether a modification is recommended for approval or rejection.</p> <p>Would a simple Panel majority be required on a decision as to whether a Modification was related to an SCR and therefore be subject to a two thirds majority for recommendation to approve? Again, this detail could impact the recommendation for approval.</p>
Accenture (UK) Ltd. (for and on behalf of ScottishPower)	Yes	Similarly, Alternative 2a is better than the Proposed, by providing a more complete solution than the Proposed or the previous Alternatives. It is the best compromise between having a sufficiently wide net and making all Modifications follow this route.
EDF Energy	No	We do not support this alternative as it applies to proposals raised prior to an SCR and hence the concerns expressed in our answer to question 4 apply here.
Welsh Power	Yes	This is our preferred solution as it creates the hurdle for all modifications related to the issue where Ofgem is acting as judge and jury.
RWE Npower	No	The same rationale applies to potential alternative 2 (b) as to alternative 1 and alternative 2 (b); Two-thirds majority voting should apply to any and all

Respondent	Response	Rationale
		modifications raised as a result of direction by the Authority, regardless of the circumstances under which they are raised. It is only those modifications which are raised as a result of direction by the Authority that should have the two-thirds majority threshold applied to them.
Scottish and Southern Energy	Yes	We agree with the majority of the Workgroup that there are additional benefits with the potential alternative 2 (b) (as outlined on pages 8-9).
Drax Power Limited	No	<p>As with alternative 1, this potential alternative does not appear to be within the spirit of P264, which aims to promote good practice in code governance related to modifications where the regulator directs both the raising and the outcome of Modifications. This alternative could capture Modifications that genuinely have no connection to a given "licence obligated Modification".</p> <p>Alternative 2 (b) would also require an adequate process to avoid the capture of Modifications that are genuinely separate to "licence obligated Modifications". This could be difficult to implement and police.</p>
E.ON UK	Yes	<p>We agree that this is the most logical complete solution and as the Group majority believe, that 'It is not just National Grid that may 'jump the gun' during or before an SCR Phase. Ofgem may ask or direct other Parties apart from National Grid to raise Modification Proposals in order to get SCR changes in place quickly. These provisions would ensure such changes were subject to a two-thirds majority vote'.</p> <p>It is our impression that this 'alternative' is effectively the proposer's intended Proposed solution.</p>

Question 7: Would potential alternative 3 provide any benefits over and above the Proposed solution?

### Summary

Yes	No	Neutral/Other
4	3	1

### Responses

Respondent	Response	Rationale
Centrica	Yes	This alternative would provide a necessary level of protection that any modification in which a party,

Respondent	Response	Rationale
		<p>under normal market forces and incentives, would not have normally raised requires a higher threshold for Panel recommendation to approve.</p> <p>Centrica believes that such a requirement does not require active policing to be effective (as suggested in the consultation document) as the potential repercussions of non-disclosure by any party and/or Ofgem would provide the necessary incentive to accurately disclose.</p> <p>This does not need to hinder bilateral meetings that Parties have with Ofgem in relation to potential changes but should encourage such meetings to be transparent and well minuted. Ofgem are already well practiced to ensure they do not fetter their discretion so such a requirement as this alternative would be no more onerous.</p> <p>Contrary to the view of some group members (p10), Centrica believes that this alternative is precisely the one out of the 4 options presented in which the defect is isolated and addressed. This is because it ensures that those modifications where the deciding body (the Authority) has, by whatever means, ensured that a modification for which there was no market appetite to propose has been raised, are subject to a higher threshold for panel recommendation for approval. This keeps the route to appeal to the Competition Commission open in more circumstances for modifications parties are obligated or compelled by Ofgem to raise only and does not increase the potential risk of appeals for those modifications raised by parties which were driven by market incentives.</p>
Accenture (UK) Ltd. (for and on behalf of ScottishPower)	No	Alternative 3 would be virtually impossible to police and enforce. The proposed scope of the Alternative is also much greater than the identified defect.
EDF Energy	No	For the same reasons as set in our answer to question 6.
Welsh Power	Yes	While we do think that this has advantages, it is getting to the point where we may as well say the same rules apply to all modifications. Which may be the best solution, but would probably be best achieved via changes to the SI rather than the code.
RWE Npower	No	This is impractical and unnecessary. As stated above, it is our view that the two-thirds majority voting should only apply to modifications raised as a result of a direction made by the Authority, ergo it will be clear where the modification originates because a direction

Respondent	Response	Rationale
		will have to have been made in a visible and transparent manner.
Scottish and Southern Energy	Yes	<p>We agree with the minority of the Workgroup that there are additional benefits with the potential alternative 3 (as outlined on pages 9-10).</p> <p>In terms of the process suggested, with potential alternative 3, we respectively disagree with the majority of the Workgroup that such a process would be very hard to "police" and that it would be difficult to prove if a Party had been requested or instructed by Ofgem to raise a change. In our view the hugely detrimental consequences for both the Proposer and Ofgem of, having been asked the explicit question, not answering correctly would act as sufficient deterrent – and thus 'police' the matter effectively.</p> <p>We note the comments, from the majority of the Workgroup, about the circumstances where Parties have had conversations with Ofgem, when forming their Modification. However, in our view the two key aspects are (i) were those conversations initiated by Ofgem and / or (ii) was the Proposer directed, instructed or requested by Ofgem to raise the Proposal. If the answer to either / or both is 'yes' then, in our view, this would seem to conform with the intent of P264 (and thus potential alternative 3 would provide benefits over and above the proposed solution).</p>
Drax Power Limited	Potentially	<p>As with alternatives 1 and 2 (b), this alternative has the potential to capture Modifications that were raised prior to a SCR phase, which is prior to a direction for a "licence obligated Modification". However, the P264 original proposal aims to capture all Modifications that are "licence obligated", not just those that result from an SCR direction.</p> <p>A declaration from the raising party and/or the regulator could be simple to implement via the existing Modification proposal form and BSC Panel meetings. This process may ensure that the correct Modifications are captured by the two-thirds majority vote process and that all Modifications are treated on the same basis.</p> <p>It must be noted that this process would work on the basis of good faith and could be difficult to police.</p>
E.ON UK	Yes	It would further transparency for this to be made clear. Especially through asking both the licensee and the Authority to confirm.

Question 8: Are there any alternative solutions, which the Modification Group has not identified, that they should consider?

**Summary**

Yes	No	Neutral/Other
0	8	0

**Responses**

Respondent	Response	Rationale
Centrica	No	-
Accenture (UK) Ltd. (for and on behalf of ScottishPower)	No	-
EDF Energy	No	-
Welsh Power	No	We think that the parties do need to chase DECC about clarity in the SI.
RWE Npower	No	-
Scottish and Southern Energy	No	-
Drax Power Limited	No	No further comment.
E.ON UK	No	-