

P260 Consultation Responses

Consultation issued on 4 August 2010

What stage is this document in the process?

01 Initial Written Assessment

02 Definition Procedure

03 Assessment Procedure

04 Report Phase

We received responses from the following Parties

Company	No BSC Parties / Non-Parties Represented	Role of Parties/non-Parties represented
MRASCo	0/1	MRA
TMA Data Management Ltd	0/1	HHDC, HHDA, NHHDC and NHHDA
Accenture Services Limited (for and on behalf of ScottishPower)	7/0	Supplier / Generator / Trader / Consolidator / Exemptible Generator / Distributor
E.ON UK plc	5/0	Supplier, Generator, Trader, Consolidator, Exemptible Generator
SmartestEnergy Limited	1/0	Supplier
Centrica	10/0	Supplier / Generator / Trader
EDF Energy	13/0	Supplier/Generator/Trader/Consolidator/Exemptible Generator/Party Agent/Distributor

Question 1: Do you believe there is benefit in making some of the data in the TUoS Report more widely available?

Summary

Yes	No	Neutral/Other
5	1	1

Responses

Respondent	Response	Rationale
MRASCo	Neutral	This change does not affect MRASCo in any way shape or form, and as such it would not be appropriate to comment on Applicable BSC Objectives
TMA Data Management Ltd	Yes	Increased transparency can help better achieve BSC Objective C.

Respondent	Response	Rationale
Accenture Services Limited (for and on behalf of ScottishPower)	Yes	We agree with the modification group view that making the data more widely available will increase transparency and understanding within the market, and therefore meets with the requirements of BSC Objective (c).
E.ON UK plc	Yes to an extend	This provides information on the extent of embedded generation in different GSP Groups which allows parties to better understand the potential impacts, particularly on charging. However, given the apparent decision to cease progress on GB ECM-23 we question whether this is the correct time to implement this modification.
SmartestEnergy Limited	No	We see no benefit in this.
Centrica	Yes	There would be a benefit by providing information relevant to embedded generation levels to all Parties. Given the publication of the information can be achieved at reasonable cost and is aggregated so as to not cause any identifiable confidentiality or anti-competitive issues, then the publication of the information increases market transparency and understanding which has competition benefits for the market.
EDF Energy	Yes	<p>Making the data in the TUoS Report more widely available would:</p> <p>Better meet BSC Objective (c) concerning competition by enhancing visibility of underlying generation and demand for electricity, so facilitating more efficient forecasting, planning and trading by competing electricity companies.</p> <p>This could be expected to have a knock-on effect on BSC Objective (b) because improved forecasting by participants should allow more efficient system operation.</p> <p>A further possible benefit could arise from use of information to assist in validation of SVA meter data and TUoS charges, an internal efficiency of individual companies probably falling under BSC objective (c).</p>

Question 2: Do you believe publishing the 'GSP Group Import and Export Totals' report at GSPG level would cause issues with confidentiality?

Summary

Yes	No	Neutral/Other
0	7	0

Responses

Respondent	Response	Rationale
MRASCo	No	This change does not affect MRASCo in any way shape or form, and as such it would not be appropriate to comment on Applicable BSC Objectives
TMA Data Management Ltd	No	The Supplier granularity is lost at GSP level ensuring that confidentiality is not compromised.
Accenture Services Limited (for and on behalf of ScottishPower)	No	We believe that aggregating the information up to GSP Group level and removing supplier identification is the most appropriate way forward and should address any supplier concern with regard to confidentiality.
E.ON UK plc	No	The level of aggregation should ensure that the confidentiality of individual customer or generator data is maintained.
SmartestEnergy Limited	No	-
Centrica	No	Centrica does not currently have any confidentiality concerns with the publication of this data.
EDF Energy	No	There are already many export sites within every GSP Group, and it is very unlikely that the export from any individual site could be deduced from the GSP Group aggregate, or even the aggregate by supplier in GSP Group. Note that export from licensed generators is fully visible on an individual basis.

Question 3: Are there alternative solutions that the Modification Group has not identified, that they should consider?

Summary

Yes	No	Neutral/Other
0	5	2

Responses

Respondent	Response	Rationale
MRASCo	Neutral	This change does not affect MRASCo in any way shape or form, and as such it would not be appropriate to comment on Applicable BSC Objectives
TMA Data Management Ltd	No	-
Accenture Services Limited (for and on behalf of ScottishPower)	No	-
E.ON UK plc	No	n/a

Respondent	Response	Rationale
SmartestEnergy Limited	No	-
Centrica	No	-
EDF Energy	-	Did the group consider publishing the data with other settlement data using TIBCO on the high grade communications network?

Question 4: Do you agree with the Groups initial implementation approach?

Summary

Yes	No	Neutral/Other
4	2	1

Responses

Respondent	Response	Rationale
MRASCo	Neutral	This change does not affect MRASCo in any way shape or form, and as such it would not be appropriate to comment on Applicable BSC Objectives
TMA Data Management Ltd	Yes	-
Accenture Services Limited (for and on behalf of ScottishPower)	Yes	We believe that any change that can provide information that will assist with the introduction of the proposed new Charging Methodology can only be of benefit.
E.ON UK plc	No	Given the decision to cease work on GB ECM-23, which was the reason for raising P260, we would question whether now is the right time to progress this modification. It would be more sensible to await the outcome of the charging review which Ofgem is due to undertake.
SmartestEnergy Limited	No	On the basis that the modification is inappropriate
Centrica	Yes	-
EDF Energy	Yes	Earlier implementation would be preferable, to better inform forecasts of potential transmission charging for the 2011-12 year, but implementation on 31 March 11, just in advance of the next transmission charging year, seems a pragmatic compromise. Later implementation with 4 months notice would delay the benefits, but again seems a pragmatic compromise.

Question 5: Would the P260 Proposed Modification better achieve the Applicable BSC Objectives when compared to the current arrangements?

Summary

Yes	No	Neutral/Other
1	4	2

Responses

Respondent	Response	Rationale
MRASCo	Neutral	This change does not affect MRASCo in any way shape or form, and as such it would not be appropriate to comment on Applicable BSC Objectives
TMA Data Management Ltd	Yes	-
Accenture Services Limited (for and on behalf of ScottishPower)	No	We believe that the P260 Alternative Modification provides the better solution.
E.ON UK plc	No	There no longer appears to be a charging change which requires this information.
SmartestEnergy Limited	No	We fail to see how this modification relates to <i>BSC Objectives</i> .
Centrica	No	Centrica does not believe that a case has been made to show that the Proposed Modification better facilitates the BSC Objectives. With Ofgem’s recent announcement to undertake an independent review of charging arrangements in autumn, it should not be prejudged whether National Grid will require this information for charging purposes. P260 may involve nugatory work if the charging solutions implemented following the review do not require National Grid to have this information. Therefore Centrica believes that the Proposed Modification can only be described as being neutral against BSC objective (a). As there are no other benefits to the proposed modification, it cannot be shown to better facilitate any of the objectives at this point in time.
EDF Energy	-	From the perspective solely of the BSC itself, the net benefit against BSC objectives is unclear. The proposal would incur an implementation cost without delivering any reduction in ongoing BSCCo or BSC party operating costs (BSC Objective (d)), without directly affecting trading charges associated with the competitive purchase and sale of energy (BSC

Respondent	Response	Rationale
		<p>Objective (c)), and without directly affecting operation of the transmission system (BSC Objective (b)), unless the Transmission Company considered that such data would better inform its balancing activities.</p> <p>Because the data in question would not be available to parties other than the Transmission Company, no direct change in behaviours could be expected, although there could be a small response by some participants to potential changes in transmission charges.</p> <p>A firm benefit can only be shown for better achievement of NG licence objectives (BSC Objective (a)), specifically those requiring investigation and potential consequential change to transmission charging. The consequences of any change to charging on efficient system operation or competition are outside the direct remit of the BSC.</p>

Question 6: Would the P260 Alternative Modification better achieve the Applicable BSC Objectives when compared to the current arrangements?

Summary

Yes	No	Neutral/Other
5	1	1

Responses

Respondent	Response	Rationale
MRASCo	Neutral	This change does not affect MRASCo in any way shape or form, and as such it would not be appropriate to comment on Applicable BSC Objectives
TMA Data Management Ltd	Yes	Having the data more widely available will foster better understanding of the Electricity Market and therefore supporting BSC objective C.
Accenture Services Limited (for and on behalf of ScottishPower)	Yes	We believe that the P260 Alternative Modification better achieves the Applicable BSC objectives due to the fact that the publication of the data in the TUoS Report, albeit, at an aggregated level will provide a greater level of transparency and thereby improving understanding within the market.
E.ON UK plc	Yes-Marginally	As we mention above it would allow a better understanding of the extent of embedded generation in each GSP group. However, it is premature to

Respondent	Response	Rationale
		implement it at the moment until Ofgem's charging review has concluded. A better form of report may become apparent as a result of that review.
SmartestEnergy Limited	No	There would be further costs to BSC Parties
Centrica	Yes	There would be a benefit by providing information relevant to embedded generation levels to all Parties. Centrica believes it would be ideal to attempt to quantify benefits to show that there is net benefit over and above the costs of publishing this information. However, given the publication of the information can be achieved at reasonable cost and is aggregated so as to not cause any identifiable confidentiality or anti-competitive issues, then the publication of the information would increase transparency and contributes to increasing levels of market understanding. This has competition benefits for the market and would therefore better facilitate BSC Objective (c).
EDF Energy	Yes	See response to question 1.

Question 7: Would the P260 Alternative Modification help to better achieve the Applicable BSC Objectives when compared to the Proposed Modification?

Summary

Yes	No	Neutral/Other
5	1	1

Responses

Respondent	Response	Rationale
MRASCo	Neutral	This change does not affect MRASCo in any way shape or form, and as such it would not be appropriate to comment on Applicable BSC Objectives
TMA Data Management Ltd	Yes	-
Accenture Services Limited (for and on behalf of ScottishPower)	Yes	The fact that the P260 Alternative Modification appears to better achieve two of the Applicable BSC Objectives against one in the Proposed Modification suggests that it is the more applicable solution. In addition the P260 Alternative Modification will add greater transparency within the market.
E.ON UK plc	Yes-marginally	Please see question 6.
SmartestEnergy	No	We fail to see how this modification relates to <i>BSC</i>

Respondent	Response	Rationale
Limited		<i>Objectives.</i>
Centrica	Yes	Given Centrica believes the Proposed Modification is neutral against the BSC Objectives and the Alternative has competition benefits, it follows that the Alternative can be shown to better facilitate the BSC objectives in relation to objective (c) when compared to the Proposed.
EDF Energy	Yes	See response to questions 1 and 5.

Question 8: Do you have any further comments on P260?

Summary

Yes	No	Neutral/Other
2	4	0

Responses

Respondent	Response
MRASCo	No
TMA Data Management Ltd	No
Accenture Services Limited (for and on behalf of ScottishPower)	We believe that there should be no expenditure on implementation of this change until the future arrangements for embedded generation are finally known thereby avoiding any nugatory spend, which ultimately the industry and consumers will have to bear.
E.ON UK plc	No
SmartestEnergy Limited	The reason generators in Scotland are liable for TNUoS is not something which the BSC should concern itself with. It is a problem of the definition of transmission in Scotland. NGC should be able to address these issues elsewhere. NGC are desirous of further changes to the way in which embedded benefits are paid in England and Wales but these are proposals which have not yet been accepted. It is, therefore, inappropriate for BSC Parties to incur costs for proposals which have not been fully consulted upon. We believe it is disingenuous to suggest that resolution of the Transmission Company's licence obligation (Standard Licence Condition C13) to develop and implement enduring arrangements prior to the expiry date of the Scottish 132kV connected discount arrangements is related to their wider desire to change the embedded arrangements in England & Wales.
Centrica	No
EDF Energy	We would have no objection to publishing the data at the resolution of individual Supplier BM Units, as provided to the Transmission Company. This should have lower implementation cost. We note this has been rejected by the modification group.

Respondent	Response
	<p>We note that where a generator is not required to be separately metered at a site, there is no explicit measure of the underlying generation and demand which gives rise to export or import for that site. Measured export and import are necessarily only an indicator of net levels of underlying generation and demand.</p> <p>Is "half hourly and non half hourly import data and export data by Settlement Period and/or Settlement Day in respect of each Supplier BM Unit" in the draft legal text a sufficiently explicit description of the data intended to be reported, given that "import data" and "export data" are not explicitly defined? Presumably the gross volume is sought at the transmission boundary (Grid Supply Point) level after all adjustments, so as to be equivalent to GSP Group Take and Supplier BM Unit metered volume, rather than as measured at meter, or equivalent to Supplier Deemed Take before adjustment?</p>