

Responses from Draft Report Consultation

Consultation issued 14 October 2003

Representations were received from the following parties:

No	Company	File Number	No. BSC Parties Represented	No. Non-Parties Represented
1.	Powergen UK plc.	P141_DR_001	14	0
2.	Scottish Power UK plc	P141_DR_002	6	0
3.	EDF Energy Networks (EPN) plc	P141_DR_003	9	0
4.	Innogy plc	P141_DR_004	9	0
5.	Scottish and Southern Energy	P141_DR_005	4	0

P141_DR_001 Powergen UK plc

Respondent:	Powergen UK plc
No. of BSC Parties Represented	14
BSC Parties Represented	Powergen UK plc, Powergen Retail Limited, Cottam Development Centre Limited, TXU Europe Drakelow Limited, TXU Europe Ironbridge Limited, TXU Europe High Marnham Limited, Midlands Gas Limited, Western Gas Limited, TXU Europe (AHG) Limited, TXU Europe (AH Online) Limited, Citigen (London) Limited, Severn Trent Energy Limited (known as TXU Europe (AHST) Limited), TXU Europe (AHGD) Limited and Ownlabel Energy Limited
Role of Respondent	Supplier

Q	Question	Response	Rationale
1.	Do you agree with the Panel's views on P141 and the provisional recommendation to the Authority contained in the draft Modification Report that P141 should be made? Please give rationale.	Yes	Grudgingly. This is, in reality, a bit of a tidy up exercise for a possible unintentional consequence of the implementation of P106.
2.	Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale.	Yes	Seems straight forward enough.
3.	Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P141? Please give rationale.	Not sure	<p>It is not clear in the Modification Report which implementation date is being referred to.</p> <p>If you mean the implementation date will be backdated to P106 implementation (24th June 2003) then my answer would be no, as we generally do not support retrospective changes.</p> <p>If you mean that implementation of P141 will be backdated to the date of P106's implementation on a [date X], then I cannot give a view as that implementation date has not yet been stated in this Modification Report.</p>

Q	Question	Response	Rationale
4.	Are there any further comments on P141 that you wish to make?	Yes	<p>We do not generally support retrospective changes. As the impact to date of this perceived inconsistency has been zero we do not see why P141 should retrospectively change this supposed inconsistency to the date of implementation of P106.</p> <p>More consideration should have been given to whether it would have been better to make a prospective rather than a retrospective change.</p>

P141_ DR_002 Scottish Power

Respondent:	
No. of BSC Parties Represented	6
BSC Parties Represented	Scottish Power UK plc; ScottishPower Energy Management Ltd.; ScottishPower Generation Ltd; ScottishPower Energy Retail Ltd.; SP Transmission Ltd; SP Manweb plc.
No. of Non BSC Parties Represented	
Non BSC Parties represented	Please list all non BSC Parties responding on behalf of (including the respondent company if relevant).
Role of Respondent	Supplier / Generator / Trader / Consolidator / Exemptable Generator / Party Agent

Q	Question	Response	Rationale
1.	Do you agree with the Panel's views on P141 and the provisional recommendation to the Authority contained in the draft Modification Report that P141 should be made? Please give rationale.	Yes	ScottishPower agrees with the Panel and VASMG view that P141 better facilitates Applicable BSC Objective (D), because it aims to ensure that the process by which Serials and Standards are reported and monitored, and Supplier Charges levied, remains on the basis of Supplier IDs rather than on a Supplier basis (which has been brought about by an unintentional side effect of the implementation of P106) and hence would better facilitate the implementation and administration of the balancing and settlement arrangements. However, we would qualify this with the proviso that the P141 implementation date is backdated to the P106 implementation date.
2.	Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale.	Yes	We agree that the legal text would appear to be appropriate to address the defect identified in this proposal.

Q	Question	Response	Rationale
3.	Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P141? Please give rationale.	Yes	P106 should not have introduced changes to the Supplier Charges framework. P141 should only be accepted if it can be backdated to avoid the situation where the Supplier Charges framework is required to change as a result of the unintentional error in P106, and then subsequently changed back when P141 is implemented. In the event that P141 cannot be backdated, it is questionable whether introducing P141 would improve efficiency of the BSC and therefore whether the Applicable BSC Objectives are better facilitated.
4.	Are there any further comments on P141 that you wish to make?	Yes	ScottishPower does not believe that P106 changes the basis on which Serials data should be submitted. The BSC does not explicitly state whether data should be provided at a Supplier Id or Supplier level; this is contained within BSCP533 and the MIRT which does require data to be provided at a Supplier Id level. However, ScottishPower does recognise that P106 changes the basis on which Supplier Charges are calculated centrally by ELEXON, and this is the unintentional error that will be addressed by P141.

P141_DR_003 EDF Energy

Respondent:	
No. of BSC Parties Represented	9
BSC Parties Represented	EDF Energy Networks (EPN) plc; EDF Energy Networks (LPN) plc EDF Energy Networks (SPN) plc; EDF Energy (Sutton Bridge Power) EDF Energy (Cottam Power) Ltd; EDF Energy (West Burton Power) Ltd; EDF Energy plc; London Energy plc; Seeboard Energy Limited
No. of Non BSC Parties Represented	
Non BSC Parties represented	
Role of Respondent	Supplier / Generator / Party Agent / Distribution Business

Q	Question	Response	Rationale
1.	Do you agree with the Panel's views on P141 and the provisional recommendation to the Authority contained in the draft Modification Report that P141 should be made? Please give rationale.	Yes	Without this modification a number of significant changes will be required with no benefit for industry. It also ensures Agents do not have to worry about changes where Supplier consolidation takes place as they will still report by Supplier Id. These benefits should ensure that administration of BSC in this area is managed in most effective manner.
2.	Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale.	Yes	
3.	Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P141? Please give rationale.	Yes	It ensures only one rule set is in place and removes need for significant changes that will be in operation for a short period of time.
4.	Are there any further comments on P141 that you wish to make?	No	

P141_DR_004 – RWE

Respondent:	
No. of BSC Parties Represented	9
BSC Parties Represented	RWE Innogy plc, Innogy Cogen Limited, Innogy Cogen Trading Limited, Npower Limited, Npower Direct Limited, Npower Northern Limited, Npower Northern Supply Limited, Npower Yorkshire Limited and Npower Yorkshire Supply Limited
No. of Non BSC Parties Represented	None
Non BSC Parties represented	N/A
Role of Respondent	<i>Supplier / Generator/ Trader / Consolidator / Exemptable Generator / Party Agent</i>

1.1	Question	Response	Rationale
1.	Do you agree with the Panel's views on P141 and the provisional recommendation to the Authority contained in the draft Modification Report that P141 should be made? Please give rationale.	Yes	This is a 'pragmatic' solution to align the BSC with the functionality of the current PARMS system.
2.	Do you agree with the Panel's view that the legal text provided in the draft Modification Report correctly addresses the defect or issue identified in the Modification Proposal? Please give rationale.	Qualified Yes	We believe the legal drafting may need to address the treatment of non-compliance with obligations which have been changed retrospectively.
3.	Do you agree with the Panel's provisional recommendation concerning the Implementation Date for P141? Please give rationale.	Qualified No	This can only be accepted on the basis that Parties will not be pursued for the consequences of actions taken on the basis of obligations that were subsequently changed retrospectively.
4.	Are there any further comments on P141 that you wish to make?	Yes	We remain unconvinced that there was a clear intent in P106 that Annex S-1 should apply on a Supplier ID basis, and are very concerned at the precedent which is being set in changing the obligations and liabilities of at least some Parties retrospectively.

P141_DR_005 Scottish and Southern Energy

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 14th October 2003, and the associated Modification Report for P141, we agree with the proposed BSC Panel recommendation to the Authority that Modification Proposal P141 should be made.

Whilst generally we are not supportive of retrospective changes to the Code it is clear that the approval of Modification Proposal P106 had a number of unintentional consequences that were not anticipated by the Modification Group, the Panel, the Authority and market participants in general. Backdating the implementation of Modification Proposal P141 will therefore be appropriate in these very limited, and hopefully unique, circumstances. Accordingly, if Modification Proposal P141 is approved, we agree with the proposed BSC Panel recommendation on the timing for the Implementation Date, as outlined in the Modification Report.