



This newsletter provides a brief update on the key electricity market design changes currently being progressed within Great Britain, focusing on May 2005.

The newsletter aims to assist electricity market participants who already have a good broad understanding of the GB electricity trading arrangements, and the key documents that underpin them, to keep track of the major consultations that affect the development of the wholesale electricity market.

This issue covers: Ofgem consultations; BETTA; publications/announcements by a number of government and other bodies; Transmission charging issues; and the BSC and CUSC Modifications and related matters.

If readers need further information on any of the issues raised in this briefing note, or would like advice on how these changes might affect their companies, please contact IPA Energy Consulting on 0131 240 0840.

HEADLINES

- The post election Cabinet reshuffle resulted in Alan Johnson (previously Secretary of State for Work and Pensions) being appointed as Trade and Industry Secretary and Malcolm Wicks, former Minister for Pensions, as the new Minister for Energy.
- The Council for Science and Technology has published a report on "An Electricity Supply Strategy for the UK" which, amongst other things, highlights the need for large scale non-carbon generation to meet Governments 2020 CO₂ targets and notes that energy efficiency and wind power will not be sufficient on their own.
- Stuart Senior has taken up his post as Chief Executive of ELEXON.

Ofgem Issues and Consultations

Direction and consents pursuant to paragraph 7 of standard licence condition C18 (Requirement to offer terms for connection or use of the GB transmission system during the transition period) of the transmission licence

On 29 April Ofgem, at NGC's request, issued further directions to NGC in respect of the timescale for making connection and use of system offers to users.

This covers extension of the 1 May 2005 deadline for issuing offers to Scottish, and other, users that had an offer in place after 1 September 2004 but before 1 January 2005 (separate deadlines are proposed for each affected party ranging from 1 August 2005 to 15 October 2005); extension of the deadline for Scottish and other applicants that applied before 1

January 2005, such that they are to receive offers by 15 April 2006; and extension of the four month period to the timescales for existing other applicants and existing Scottish applicants that applied after 1 January 2005 such that they to have a GB offer no later than 15 April 2006.

The letter, which had effect from 1 May 2005, can be found at:

http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11382_13305.pdf

Structure of electricity distribution charges Consultation on the longer term charging framework

On 9 May, Ofgem issued a consultation on the development of the models and approach to be adopted in setting longer term Distribution Charges for both generation and demand. The consultation draws on the results and recommendations within the three expert consultants' reports published last month and sets out a number of options together with Ofgem's thoughts and views from the ISG (Structure of Charges Implementation Steering Group). It also sets out the future timetable and approach for developing and finalising the new arrangements. An industry workshop was held on 24 May, comments are requested by **20 June**.

At the heart of the discussion is the development of new charging models which are intended to "accurately reflect forward looking costs, incentivise efficient usage and development of the system, and accommodate the introduction of generator use of system charges (GDUoS) better than the current models". Emphasis is placed on, amongst other things, locational issues, equivalent treatment for generation and demand and the importance of reflecting both costs and benefits within the models.

Other factors that could have a material impact on charges are also considered including, amongst others, the connection boundary, determination of line loss factors, scaling to achieve the correct revenue and the d/g split, provision of ancillary services, reactive power.

The consultation also considers a number of other issues, including proposing that generators that



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connected before 1 April 2005 (and have paid deep connection charges) should be subject to the new charging regime from 1 April 2010, subject to some form of recompense related to either the forward value of the access rights or historic charges. It also fires another warning shot in respect of the current treatment of transmission charges for distributed generation stating (para 4.50)...

“The greater concern is that in some cases the transmission costs are not being reflected to parties, which in turn is causing potentially uneconomic behaviour. Generation connected to the distribution system will affect load flows and therefore long run costs on the transmission system. Under the current transmission charging rules, these generators may not be charged for these costs, potentially allowing uneconomic connections to proceed, or incentivising parties to connect at distribution level.”

Ofgem note that this issue is outside the scope of this consultation but that Ofgem will be consulting on it later in the year.

Ofgem also proposes that DNOs should work together to develop methodologies to ensure consistency in approach to avoid complexity and potential distortions in siting decisions. However, it also notes that each DNO will present its charging methodology separately and that there may be a trade off between consistency and innovation.

The consultation also contains two appendices. The first gives details of the public workshop on the structure of charges (24 May); the second sets out a number of policy issues and questions associated with the determination of distribution line loss factors.

The consultation can be found at:
http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11417_13505.pdf

Long Term Development Statements for Electricity Distribution Networks and Long Term Development Statements (LTDS) Usability Questionnaire

On 16 May, Ofgem published an open letter initiating a consultation on the value of DNOs' Long Term Development Statements (LTDS) in their current form and ways in which they can be improved together with a “usability questionnaire” that sets out questions on accessibility, format/structure, cost, content and level of detail of the LTDSs. Responses are requested by **24 June**.

The letter can be found at
http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11491_13605a.pdf
and the usability questionnaire can be found at:
http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11445_LTDSQuestionnaire.pdf

Governance in the Electricity Distribution Commercial Arrangements – Impact Assessment

On 19 May, Ofgem published its regulatory impact assessment on possible governance arrangements for the new code currently under consideration covering electricity distribution commercial arrangements, and issues associated with the development of this code. Comments are requested by **29 June**; Ofgem is particularly interested in estimates of costs operating under different models.

The impact assessment (IA):

- identifies the process by which a new code would be established (collective licence modifications), the factors the Authority would need to take into account, and the Secretary of State's right of veto;
- considers the options for reform (option A - keeping current bilateral arrangements but standardising key commercial documentation; option B - no change; option C - new multi party code based on consolidation of appropriate parts of existing rules governing connection to, and use of, system (Ofgem's preferred solution); or option D - new multi party agreement (similar to Master Registration Agreement) covering the same);
- seeks views on what aspects of connection terms might be included within a consolidated document;
- sets out proposals for governance under Ofgem's preferred approach, Option C, (including the detailed composition of the Panel and its responsibilities and functions and suggests parties may wish to consider seeking to include code modifications decisions within the provisions for appeals to the competition commission);
- sets out proposals for governance arrangements under Option D (including functions of the executive committee, which Ofgem suggests give rise to the greatest differences between options C & D and provision for appeals of executive committee decisions to the Authority);
- provides a detailed analysis (summarised in tabular form, in an appendix), of the four options, of: the benefits, risks, and unintended consequences; the distributional effects (who is affected and how); and financial costs.



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Ofgem indicates that it does not propose to publish a Collective Licence Modification (CLM) requiring the development of a draft document, exclusive of governance, in the next few weeks. Instead it is proposing to publish conclusions in August on whether introduction of governance is appropriate. If it goes down this route it may invite industry to vote on a CLM requiring the provision of governance arrangements within a consolidated final document. The document will need to be approved by December 2005 to enable it to go-live on 1 April 2006.

The IA/consultation can be found at:

http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11507_13705.pdf

Letter clarifying Ofgem's credit cover conclusions document

On 24 May, following queries from the industry, Ofgem published an open letter clarifying the interpretation of some of the detailed provisions in its decision document on "Best practice guidelines for gas and electricity network operator credit cover". The letter covers clarification of treatment of payment history, VaR (value at risk), Credit Assessment Score, pre payment and the clarification of a sub heading to ensure that the relevant section is applied correctly.

The letter can be found at:

http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11531_Clarificatory_letter_re_credit_document.pdf

Consultation on requests from Scottish generators for lifetime derogation against specific Grid Code conditions which have been raised in association with the introduction of BETTA

On 26 May, Ofgem published an open letter seeking views on the request for lifetime derogations from certain specific Grid Code requirements by Scottish generators in the face of BETTA. These generators currently have temporary derogations that expire in either September or December 2005. The letter sets out the detail of the proposed derogations, the various arguments and comments that have been made by the generators and the three transmission licensees, and Ofgem's views and proposed approach. Views are invited by **7 July**.

The letter can be found at:

http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11566_14105.pdf

Standard Condition C14: Transmission Licence, Licensee's Grid Code

Decision and direction in relation to consultations H/04, "Grid Code Changes to Incorporate New Generation Technologies and DC Inter-connectors (Generic Provisions)" and SA/2004, "Consultation on Technical Requirements for Windfarms"

On 27 May, Ofgem published its decision and directions in relation to the introduction of these changes to the England and Wales and Scottish Grid Codes and certain further changes that were not included in the final change proposal reports to the Authority (dated 27 August 2004 and 2 September 2004). The decision follows a consultation on a previous "minded to" decision and impact assessment. The changes will be enacted via changes to the GB Grid Code.

The letter also indicates that, given the importance of the issues raised by these changes, it will monitor the impact of the changes and will hold a meeting of the Forum that supported this area of work in six months time to give parties the opportunity to provide feedback on actual experience.

The decision letter can be found at:

http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11576_Binder1.pdf

NGT's Preliminary Winter Outlook Report – 2005/06

On 31 May, Ofgem published a copy of NGT's winter outlook report for 2005/6 together with an open letter. This year's preliminary report is in the form of a consultation and NGT is seeking industry participants' views on its scenarios/assumptions and a range of issues by **15 July**.

Ofgem's cover letter notes that the report indicates that the main security of supply issues relate to the operation of the wholesale gas market and that NGT considers that a significant volume of gas demand side response will be required throughout most of the winter if there is a combination of severe weather and lower gas supply.

Ofgem also note that NGT consider that "emergency gas cash-out" is a priority area for review and Ofgem also expresses concerns about the current rules in this area. Ofgem also highlights information provision, particularly in relation to continental gas markets, as being an important area for reform and notes that it is considering a number of gas modifications that are relevant to security of supply.

Ofgem also indicates that, this year, it will respond “expediently” to any gas and electricity cash out modifications “in so far as these modifications enhance the operation of the market” and that it will consider further changes to enhance transparency and asks parties to let Ofgem know their views.

The final Winter Outlook report will be published in autumn.

The letter can be found at:

http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11582_14405.pdf

NGT’s report can be found at:

http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11584_14405b.pdf

Government Bodies & Other Bodies

Malcolm Wicks (Minister for Energy)

A brief biography of the new Energy Minister can be found at:

http://www.dti.gov.uk/energy/malcolm_wicks.shtml

Estimation of Industrial Buyers’ Potential Response to Short Periods of High Gas and Electricity Prices

On 20 May DTI published a study, commissioned by DTI and Ofgem, on the potential scope for demand-side management in response to high prices in the electricity and gas markets by industrial buyers.

The report can be found at:

http://www.dti.gov.uk/energy/publications/policy/industrial_demand_response.pdf

The Council for Science and Technology

An Electricity Supply Strategy for the UK

On 31 May DTI announced that the CST had published its report on an electricity supply strategy in the light of Government’s carbon targets. The report covers three main topics (with the main recommendations grouped under five headings):

- the collapse in R&D and training – more R&D investment is sought including support for R&D in intelligent network management, new and renewable fuel sources and storage;
- regulatory structures.

- large scale non-carbon electricity generation – where the report stresses the need to keep the future options open (there is most focus on nuclear but tidal and fossil with sequestration options and issues are also discussed); and
- institutional issues – including greater promotion of international emissions trading, greater co-ordination and evaluation of energy research and a review of current across the board regulatory structures.

The report can be found at:

<http://www.cst.gov.uk/cst/reports/files/energy/report.pdf>

EU Emissions Trading Scheme

New Decisions on New Entrants and Closures Policy

On 6 May, DEFRA published new decisions in relation to replacements and partial and temporary closure; the document replaces various parts of the original New Entrants, Closures and Auctioning (NECA) Policy document published on 18 November 2004. The decisions can be found at: http://www.dti.gov.uk/energy/sepn/new_decisions_new_entrants.pdf

EU Emissions Trading Scheme: Trading Gets the Green Light with Opening of UK Registry

On 24 May, DEFRA announced the opening of the UK CO₂ allowances registry. The press release can be found at:

<http://www.defra.gov.uk/news/2005/050524a.htm>;

the registry website can be found at:

<http://emissionsregistry.gov.uk/>

Approved UK NAP and installation level allocations for Phase 1

Also on 24 May, DEFRA published the complete approved UK NAP and the installation level allocations under Phase 1.

The approved NAP, its various appendices, and the installation level allocations can be found at:

<http://www.defra.gov.uk/environment/climatechange/trading/eu/nap/approved.htm>



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Commission approves Italian allocation plan

On 25 May, the EU announced its approval of the Italian National Allocation Plan. This follows Italy's agreement to lower its national allocation by 9%. The press release can be found at:

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/602&format=HTML&aged=0&language=EN&guiLanguage=en>

Scottish Executive

Transfer of Scottish Renewable Obligation Contract - Consultation

On 9 May, the Scottish Executive launched a consultation on its proposal to allow Scottish NFFO contracted renewable generators output (and associated ROCs and LECs) to be auctioned. This would bring the Scottish arrangements in line with arrangements in England and Wales and is made possible by the introduction of BETTA. Currently, stop gap arrangements are in place that require the two Scottish companies to trade the SROCs from their NFFO contracted renewable generation to cover the cost of the SRO contracts and remove the need for the fossil fuel levy. However, LECs can not be sold on in this way as the LECs must follow the energy and the energy cannot currently be traded. The Scottish Executive is also proposing to update and simplify the regulations.

Comments on the consultation and the attached draft of the revised Fossil Fuel Levy Regulations (the Electricity from Non-Fossil Fuel Sources (Scotland) Saving Arrangements Order 2005), that give effect to the change, are invited by **15 June**. The consultation can be found at:

<http://www.scotland.gov.uk/Resource/Doc/982/0011786.pdf>

GB SO Reports and Consultations

Proposed revisions to the Procurement Guidelines and Balancing Principles Statement

On 9 May, NGC issued a consultation document proposing revisions to the PGs and BPS and a mark-up of these two documents showing the proposed changes. The consultation covers three areas.

- Changes to allow the publication of near to real time warming data.

This covers changes introduced or under development to improve transparency in relation to the requirement for/use of warming contracts close to real time following NGC's Transparency Review. In order to ensure that parties' commercial positions are not exposed NGC is also seeking agreement to ceasing publication of existing post event average pricing information and parts of the proposed changes are conditional on this change being implemented.

- Informal PGs Annual Review & Annual BPS Review.

This follows Ofgem's decision last month to allow deferral of the formal date for review of the PGs in order to align the reporting/review period with the financial year. Parties are invited to raise any general comments in respect of the PGs and BPS.

- Housekeeping changes.

Comments are requested by 5:00pm on **6 June 2005**. Following receipt of consultees comments, NGC proposes to submit a consultation report, setting out recommended changes, to the Authority on 13 June.

The consultation can be found at: <http://www.nationalgrid.com/uk/indinfo/balancing/pdfs/C16%20Consultation%20Document%20for%20BPS%20%20PGs%20May%2005.pdf>

Assistance for Areas with High Electricity Distribution Costs Scheme Charging Statement

On 20 May, NGC published a draft charging statement on the Hydro Benefit inviting comments by **17 June**. The draft statement indicates that the charge to suppliers to cover the subsidy for 2005/6 is ~ 0.013 p/kWh to recover a cost of £41.95m. Payments are to be made quarterly and the first invoice is due to be issued on 15 August with a payment date of 15 September.

The statement, which is produced in accordance with NGC's transmission licence (condition C21), covers:

- objectives and governance of the scheme;
- derivation of the tariff;
- liability and settlement; and
- a worked example.

The first hydro benefit charging statement is due to be published in mid July, with effect from 1 April 2005.



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Workshop Conclusion Report on Incremental Cost of Capacity & Transmission Network Use of System Charges Questionnaire on Negative Demand Charges

On 27 May, NGT circulated reports/consultations on two of the conditions set by the Authority when it approved NGC's Use of System Charging Methodologies for 2005/6.

The first report provides a summary of a workshop discussion (on 4 May) on the treatment of the incremental cost of capacity and associated issues. NGT is proposing to host two further workshops on this area. The first, planned for late June/early July, will examine the existing methodology in detail to assist transparency and understanding of the principles underpinning the methodology and identify further areas for improving transparency. The second will review and develop the options identified in the May workshop and consider NGC's initial ideas on the issues raised. The conclusions from this workshop will be published in a progress report (to be published by April 2006) together with the areas identified for further development.

The second report covers negative demand charges and includes a detailed questionnaire. NGC is seeking views on the issues associated with negative demand charges; options for implementing negative demand charges; and alternative approaches that avoid them. A formal consultation, taking account of responses, is anticipated in late June with a final report to the Authority in September 2005.

The deadline for comments for both reports is **24 June**.

Report on Electricity Balancing Services Contracts 1 April 04 – 31 March 05 (Informal Procurement Guidelines Report)

On 27 May, NGT published its "informal report" on balancing services purchased for 2004/5. The report can be found at:

http://www.nationalgridinfo.co.uk/balancing/pdfs/Procurement_Guidelines_Report_2004-2005.pdf

The BSC and CUSC

BSC New Modifications

On 3 May, British Gas Trading raised Modification **P188** (Revision of Credit Default Provisions). The Modification seeks to introduce new rules into the credit cover provisions that are triggered when a Party's Credit Cover Percentage exceeds 100%

(i.e. when, in effect, the posted credit cover exceeds the anticipated liability as calculated under the credit cover provisions). The proposed change would allow the Party to be placed in default under the Section H provisions of the BSC if it did not post sufficient additional credit cover to reduce its CCP to a specified lower level within a specified time period. The modification proposal also suggests there may be merit in triggering the Section H default provisions if a Party's CCP exceeds 100% more than a specified number of times within a pre-determined period.

On 23 May, EDF Trading Ltd raised Modification **P189** (Clarification to Fulfill the Intent of P174). The Modification seeks to extend the provisions of approved modification P174 and allow Interconnector BM Units connected at more than one boundary point to form non-sole trading units where the connections are at the same "Site" (as defined in Section K of the BSC). P174 had limited the formation of non sole trading units from Interconnector BM Units to those located at the same boundary point. The Anglo French Interconnector has been registered with two boundary points and so does not qualify under the provisions introduced under P174 but would qualify under the proposed amendment.

Authority Decisions

P171 (Retrospective removal of Emergency Instructions taken for System reasons from Imbalance Price) & 172 (Removal of Emergency Instructions taken for System reasons from Imbalance Price)

On 29 April 2005 the Authority **APPROVED P172** and **REJECTED P171**. The modification will change the way emergency instructions that are taken for system balancing purposes will be treated when calculating imbalance prices. Under the pre-P172 arrangements all emergency instructions are treated as normal bid/offer acceptances. Under the P172 arrangements, where NGC identifies that an emergency instruction was taken for system balancing purposes, then the bid/offer volume will be included in the imbalance price calculation as an unpriced volume so that it does not feed through into the calculation of the weighted average imbalance price.

Payments to/from BM Units that are subject to an emergency instruction are not affected by the change. P171 had sought to introduce the same change but on a retrospective basis such that the emergency instruction to Damhead Creek on 19 May would have been excluded from the calculation of the System Sell prices in periods 27 and 28.

The BSC Panel had supported both P171 and P172.

The concluding paragraph of the decision letters for both modifications refers to the prevalence of “sleeper” bids and to Ofgem’s concerns, expressed in its consultation document on the guidelines for applying the market abuse licence condition, about the potential for sleeper bids, if accepted, to distort competition. The paragraph also refers to Ofgem’s published guidance on the application of competition law within the energy sector and concludes with the statement that Ofgem considers that the issue of sleeper bids may merit further consideration.

P157 (replacement of current Supplier Charge rules)

On 10 May the Authority **REJECTED**, both the proposed and Alternative Modifications. The BSC Panel had recommended that the Alternative be implemented. The modification had proposed changes to the way in which supplier charges (liquidated damages) payments were calculated when suppliers failed to meet certain performance standards and the rules for capping individual suppliers’ liabilities. The Alternative modification had also proposed changes to the way in which the payments were redistributed amongst affected parties that were intended to incentivise improved performance.

P176 (Clarification of the Requirements for Estimation/Deeming of Meter Readings/Advances in Certain Circumstances to Facilitate Correction of Anomalies in Settlement Consumption)

Also on 10 May the Authority, in line with the recommendation of the BSC Panel, **APPROVED** P176 for implementation on 3 November. The change addresses defects in the current documentation and arrangements for dealing with deeming meter reads in certain circumstances.

P183 (Additional Mechanisms for Obtaining a valid Change of Supplier Read)

On 26 May the Authority, in line with the recommendation of the BSC Panel, **APPROVED** P183 for implementation on 3 November 2005. The modification introduces new provisions into the BSC to deal with meter reads on change of supplier and follows from work initially undertaken under the auspices of the Customer Transfer Programme.

P184 (Clarification of BSC Section W in relation to the application of the Query Deadline to Trading Queries/Disputes) & P185 (Redrafting of BSC Sections U and W in relation to clauses pertaining to the processing and rectification of Trading Queries/Disputes)

Also on 26 May the Authority, in line with the recommendations of the BSC Panel, **APPROVED** both P184 and P185 for implementation on 2 November 2005. The modifications deal with the clarification/redrafting of parts of the code dealing with the treatment and rectification of trading disputes.

BSC Issues

Issue 17 – ‘Review of Electricity Market Information (REMI)’

Issue 17 was submitted on 4 May 2005 by National Grid (NGC). It covers changes to the Grid Code that are being considered by NGC to improve provision of information to market participants and which are also relevant under the BSC and may affect the Balancing Mechanism Reporting System (BMRS).

Further information can be found in the Issues Register at:

http://www.elexon.co.uk/documents/Change_and_Implementation/Modifications_Process_-_Standing_Modification_Group/Issues_Register_050422.pdf

& on the open issues section of ELEXON’s website at:

<http://www.elexon.co.uk/changeimplementation/ModificationProcess/groups/issues/default.aspx>

BSC Parties – joiners and leavers

In May, **Constellation Energy Commodities Group** and **Npower Commercial Gas Ltd** acceded to the BSC as non physical traders and **Commercial Electricity Supplies Limited** and **Duke Energy Trading Limited** withdrew.

CUSC Amendment Proposals

New Amendment Proposals

NGT has raised three amendment proposals dealing with changes to the credit and late payments provisions within the CUSC. All three proposals refer to the need to address and codify Ofgem’s recommendations within its Network Operator Best



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Practice Guidelines as the defect that is being addressed. The amendments are:

- **CAP088** (Application of late payments of Commercial Debts (Interest) Act 1998);
- **CAP089** (Maximum Unsecured Credit Limit); and
- **CAP090** (Credit Limit for rated Companies).

In addition, BizzEnergy raised **CAP091** (Establishment and Maintenance of an Unsecured Credit Allowance or Rated and Unrated Companies and the alignment of the Value at Risk calculation with current best practice) which seeks to introduce provisions to allow unrated companies to establish an appropriate line of credit and which also references Ofgem's best practice guidelines.

IPA News

IPA, in association with Dundas & Wilson, are holding a Summer Seminar entitled "Long Term GB Power Sector Developments: The Road to Lower Carbon Emissions" on the 30th June in Edinburgh. If you have not received an invite by Monday 13th June, and would like to attend, please contact Susan O'Duibhinn on 0131 240 0840 or susan.oduibhinn@ipaenergy.co.uk for further details.

DISCLAIMER

IPA Energy cannot be held accountable for the accuracy of the information nor can IPA be held responsible for the consequences of any actions or decisions taken on the basis of the information published here. Parties must refer to the formal documents to confirm the official position.

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Summary of May 2005 Consultations & New BSC and CUSC Mods and Decisions

Please note that whilst considerable effort is made to keep this up to date some, possibly important, consultations and announcements will inevitably have been missed. Readers should also refer to the relevant documents to confirm response dates.

NEW IN MAY 2005		Issued	Response Due
Ofgem	<p>Direction and consents pursuant to paragraph 7 of standard licence condition C18 (Requirement to offer terms for connection or use of the GB transmission system during the transition period) of the transmission licence</p> <p>The letter can be found at: http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11382_13305.pdf</p>	29 April	
DEFRA	<p>New Decisions on New Entrants and Closures Policy</p> <p>The decisions can be found at: http://www.dti.gov.uk/energy/sepn/new_decisions_new_entrants.pdf</p>	6 May	
Ofgem	<p>Structure of electricity distribution charges Consultation on the longer term charging framework</p> <p>The consultation can be found at: http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11417_13505.pdf</p>	9 May	20 June
Scottish Executive	<p>Transfer of Scottish Renewable Obligation Contract - Consultation</p> <p>The consultation can be found at: http://www.scotland.gov.uk/Resource/Doc/982/0011786.pdf</p>	9 May	15 June
NGC	<p>Proposed revisions to the Procurement Guidelines and Balancing Principles Statement</p> <p>The consultation can be found at: http://www.nationalgrid.com/uk/indinfo/balancing/pdfs/C16%20Consultation%20Document%20for%20BPS%20%20PGs%20May%202005.pdf</p>	9 May	6 June
Ofgem	<p>Long Term Development Statements for Electricity Distribution Networks and Long Term Development Statements (LTDS) Usability Questionnaire</p> <p>The letter can be found at http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11491_13605a.pdf and the usability questionnaire can be found at: http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11445_LTDSQuestionnaire.pdf</p>	16 May	24 June
Ofgem	<p>Governance in the Electricity Distribution Commercial Arrangements – Impact Assessment</p>	19 May	29 June

	The IA/consultation can be found at: http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11507_13705.pdf		
DTI/Ofgem Consultant's study	Estimation of Industrial Buyers' Potential Response to Short Periods of High Gas and Electricity Prices The report can be found at: http://www.dti.gov.uk/energy/publications/policy/industrial_demand_response.pdf	20 May	
NGC	Assistance for Areas with High Electricity Distribution Costs Scheme Charging Statement Draft charging statement for comment	20 May	17 June
Ofgem	Letter clarifying Ofgem's credit cover conclusions document The letter can be found at: http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11531_Clarificatory_letter_re_credit_document.pdf	24 May	
DEFRA	EU Emissions Trading Scheme: Trading Gets the Green Light with Opening of UK Registry The press release can be found at: http://www.defra.gov.uk/news/2005/050524a.htm ; the registry website can be found at: http://emissionsregistry.gov.uk/	24 May	
DEFRA	Approved UK NAP and installation level allocations for Phase 1 The approved NAP, its various appendices, and the installation level allocations can be found at: http://www.defra.gov.uk/environment/climatechange/trading/eu/nap/approved.htm	24 May	
EU	Commission approves Italian allocation plan The press release can be found at: http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/602&format=HTML&aged=0&language=EN&guiLanguage=en	25 May	
Ofgem	Consultation on requests from Scottish generators for lifetime derogation against specific Grid Code conditions which have been raised in association with the introduction of BETTA The letter can be found at: http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11566_14105.pdf	26 May	7 July
Ofgem	Standard Condition C14: Transmission Licence, Licensee's Grid Code Decision and direction in relation to consultations H/04, "Grid Code Changes to Incorporate New Generation Technologies and DC Inter-connectors (Generic Provisions)" and SA/2004, "Consultation on Technical Requirements for Windfarms"	27 May	

	The decision letter can be found at: http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11576_Binder1.pdf		
NGT	Workshop Conclusion Report on Incremental Cost of Capacity - consultation & Transmission Network Use of System Charges Questionnaire on Negative Demand Charges	27 May	24 June
NGT	Report on Electricity Balancing Services Contracts 1 April 04 – 31 March 05 (Informal Procurement Guidelines Report) The report can be found at: http://www.nationalgridinfo.co.uk/balancing/pdfs/Procurement_Guidelines_Report_2004-2005.pdf	27 May	
NGT	NGT's Preliminary Winter Outlook Report – 2005/06 The letter can be found at: http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11582_14405.pdf NGT's report can be found at: http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11584_14405b.pdf	31 May	15 July
Council for Science and Technology	An Electricity Supply Strategy for the UK The report can be found at: http://www.cst.gov.uk/cst/reports/files/energy/report.pdf	31 May	

BSC & CUSC Mods & Decisions in May			
BSC New Mods....			
3 May	Revision of Credit Default Provisions	P188	British Gas Trading
23 May	Clarification to Fulfill the Intent of P174	P189	EDF Trading Ltd
BSC Mod Decisions			
29 April	Retrospective removal of Emergency Instructions taken for System reasons from Imbalance Price	P171	REJECT
29 April	Removal of Emergency Instructions taken for System reasons from Imbalance Price	P172	APPROVE
10 May	P157 (replacement of current Supplier Charge rules)	P157	REJECT
10 May	Clarification of the Requirements for Estimation/Deeming of Meter Readings/Advances in Certain Circumstances to Facilitate Correction of Anomalies in Settlement Consumption	P176	APPROVE (3 Nov)
26 May	Additional Mechanisms for Obtaining a valid Change of Supplier Read	P183	APPROVE (3 Nov)
26 May	Clarification of BSC Section W in relation to the application of the Query Deadline to Trading Queries/Disputes	P184	APPROVE (2 Nov)
26 May	Redrafting of BSC Sections U and W in relation to clauses	P185	APPROVE

	pertaining to the processing and rectification of Trading Queries/Disputes)		(2 Nov)
New CUSC Amendments			
May	Application of late payments of Commercial Debts (Interest) Act 1998	CAP088	NGT
May	Maximum Unsecured Credit Limit	CAP088	NGT
May	Credit Limit for rated Companies	CAP090	NGT
May	Establishment and Maintenance of an Unsecured Credit Allowance or Rated and Unrated Companies and the alignment of the Value at Risk calculation with current best practice	CAP091	BizzEnergy