Codes Summary

This document provides a summary as to latest developments concerning the various other Industry Codes:

CUSC

CUSC Amendments Panel Meeting

The CUSC Amendments Panel met on 28th July 2006. Panel Recommendation Votes were held on CAP107 ("Redefinition of Response Energy Payment for Mandatory Frequency Response") and CAP124 ("Clarification of the Withholding of Payments for Operational Intertrips"). The Panel voted to recommend approval of CAP107 Working Group Alternative Amendment B and CAP124 Consultation Alternative Amendment B.

The next meeting of the CUSC Amendment's Panel is scheduled for 18th August 2006.

BSC

BSC Panel Meeting

The BSC Panel met on 10th August 2006. Urgent Modification Reports for P201 and P202 (both "Energy Imbalance Tolerance Band") were reviewed, as were Assessment Reports for P198 ("Introduction of a Zonal Transmission Losses Scheme"), P200 ("Introduction of a Zonal Transmission Losses Scheme with Transitional Scheme") and P203 ("Introduction of a Seasonal Zonal Transmission Losses Scheme"). P204 ("Scaled Zonal Transmission Losses") will be reviewed at the Panel's October meeting.

Grid Code

The next meeting of the GCRP is scheduled for 21st September 2006.

B/06 (Regional Differences) – Ofgem has approved the proposal which brings about a closer harmonisation of the definitions of Large and Small Power stations in Scotland (and abolishes the concept of Medium Power Stations north of the border).

The fourth meeting of the Power Park Modules and Synchronous Generating Unit working group will be held 7th September 2006.

Charging

The Charging User Group (ChUG) is due to meet during the week commencing 11 September (exact date to be confirmed) and updates will be provided as they become available.

<u>Condition 3 (The Treatment of Intermittent Generation)</u>: Final report published on 10 August. National Grid could find no evidence that intermittent generation consistently causes less investment than conventional generation and therefore are not proposing any modifications to the charging methodology in respect of condition 3.

<u>Condition 4 (Long term fixed price products)</u>: Draft report published on 11 August for industry comment. National Grid has concluded that the development of multi-year fixed-price charges should not be progressed at this stage.

TO Price Review

The initial proposals document was published on 26th June 2006. Further details can be found on the Ofgem website. Site: - http://www.ofgem.gov.uk.

AMALGAMATED ELECTRICITY CODES AMENDMENT REPORT As at 14th August 2006

This document contains the Amendment Registers for the CUSC, STC, BSC, TCMF & Grid Code and is correct as of the above date.

The most up to date versions may be found at the following websites:

STC: www.nationalgrid.com/uk/Electricity/Codes/sotocode/

CUSC: http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/amendments/

BSC: www.elexon.co.uk/changeimplementation/ModificationProcess/ModificationReports/default.aspx

TCMF: www.nationalgrid.com/uk/Electricity/Charges/TCMF/

Grid Code: www.nationalgrid.com/uk/Electricity/Codes/gridcode/reviewpanelinfo/

STC AMENDMENT REGISTER - AS AT 1st August 2006

All documents referred to in the Amendment Register are available on the National Grid STC website.

CA021

Exchange of Investment Planning Data

ProposerNational GridSubmitted11/04/06SubmittedNormalPriority

Amendment Description

This amendment proposes changes to paragraph 2.4.3 (and 2.4.2) of Schedule 3 of the STC to allow Parties to disclose specific data to Transmission Owners on an enduring basis for the purposes of transmission investment planning, specifically stability studies.

The current provisions of paragraph 2.4.3 of Schedule 3 will expire on 30 September 2006. However, in the view of the proposer, there is a continuing need for this data to be provided to enable all Parties to meet their Licence obligations. It is therefore proposed that this data exchange is made permanent, but that the relevant sections of Schedule 3 are made more specific about the data that can be disclosed.

Current status and progress

CA021 Exchange of Certain Investment Planning Data was proposed by National Grid and was discussed at the 18th April 2006 STC Committee meeting. The Committee decided to take forward CA021 to the Evaluation Phase, meeting was held on 8th May 2006 to discuss further. The Committee AGREED at the 17th May 2006 meeting that the Evaluation phase was complete for CA021 and a Proposed Amendment Report should be drafted.

The Committee reviewed and signed-off the Proposed Amendment Report for Industry Consultation. Sent out for Industry consultation on 27/06/2006. Close of consultation on 11th July 2006.

No consultation responses received. Final Amendment Report submitted to Authority on 14^{th} July 2006.

Date of Issue: 1st August 2006

GB Transmission System Performance Reporting

Proposer SPTL Submitted 14/03/06 Submitted Normal Priority

Amendment Description

CA020

This Amendment Proposal seeks to establish a process in the STC for the development of a statement by which the GB Transmission System performance can be measured and for the production of the associated report. The production of the statement and the report are licence requirements on National Grid. It is a licence requirement on the TOs that they provide assistance to National Grid in the production of the report.

The proposed amendment is based upon existing STC processes by which the Transmission Licensees co-operate to produce the Seven Year Statement.

Current status and progress

CA020 GB Transmission Performance Reporting was proposed by SPTL and discussed at the March 2006 STC Committee meeting. The STC Committee decided for CA020 to go forward to the Evaluation phase.

A teleconference took place on 11th April 2006 to discuss the legal text. At the 18th April 2006 STC Committee meeting the Committee AGREED for CA020 to move to Assessment and Report Phase.

Consultation closed on 6th June 2006, no responses received. Final Amendment Report submitted to Ofgem for determination on 20/6/2006.

Authority approved CA020 on 24th July 2006. CA020 was implemented on 31st July 2006.

CA019

Assessment of the Impact of Certain Embedded Power Stations

Proposer SPTL Submitted 20/02/06 Submitted Normal Priority

Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the assessment of the impact on the GB Transmission System of certain Embedded Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

This Amendment Proposal reflects the Working Group Alternative Amendment 1 to CUSC Amendment Proposal CAP097, which seeks to clarify National Grid's requirements of Small and Medium Embedded Power Stations as GBSO. SPTL is also proposing an Alternative Amendment to CA019, which would facilitate the revised process proposed by the CAP097 Consultation Alternative Amendment 1 proposed by CE Electric UK.

Current status and progress

CA019 was discussed at the February Committee meeting. CA019 and Alternative have been proposed by SPTL as alternatives to CA017 and Alternative. This is linked to CA016 and CA017, and follows discussions at the CA016/17 working group held on 09/01/06, 01/02/06 and 15/02/06. At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report.

A teleconference took place on 3rd April 2006. Committee decided to send out for Industry Consultation – Industry Consultation closed on 20th April 06. One Response was received. At the STC Committee meeting on 27th April 2006 the Committee AGREED to submit to the Authority. Amendment Report Submitted to Authority on 27th April 2006.

The Authority rejected CA019 on 14th June 2006 (In line with STC recommendation)

CA018

Removal of the Restriction on Proposing Alternative Amendments

ProposerNational GridSubmitted14/02/06SubmittedNormalPriority

Amendment Description

This Amendment Proposal seeks to remove from the STC the restriction that each Party may only propose one Alternative Amendment. Paragraph 7.2.2.8 of Section B of the STC currently limits Parties to proposing only one Alternative Amendment. This has proved to be overly restrictive, particularly when developing STC amendments to "back-off" CUSC amendment proposals, which may contain a greater number of Alternatives.

Current status and progress

CA018 Removal of the Restriction on Proposing Alternative Amendments was discussed at the February Committee. The Committee decided that CA018 could proceed to the Assessment & Report Phase. At the March Committee meeting the Committee decided the Proposed Amendment Report to be sent for consultation for 10 business days.

Consultation closed on 6th April 2006. No industry responses received. At the STC Committee meeting on 18th April 2006 the Committee decided to submit to the Authority for determination. Amendment Report Submitted to Authority on 19th April 2006. Authority approved CA018 on 31st May 2006. Implementation date is 7th June 2006.

CA017

Assessment of the Impact of Certain Embedded Power Stations

ProposerNational GridSubmitted13/12/05SubmittedNormalPriority

Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the assessment of the impact on the GB Transmission System of certain Embedded Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

This Amendment Proposal reflects the Working Group Alternative Amendment 1 to CUSC Amendment Proposal CAP097, which seeks to clarify National Grid's requirements of Small and Medium Embedded Power Stations as GBSO. National Grid is also proposing an Alternative Amendment to CA017, which would facilitate the revised process proposed by the CAP097 Consultation Alternative Amendment 1 proposed by CE Electric UK.

Current status and progress

CA019 was discussed at the February Committee meeting. CA019 and Alternative have been proposed by SPTL as alternatives to CA017 and Alternative. This is linked to CA016 and CA017, and follows discussions at the CA016/17 working group held on 09/01/06, 01/02/06 and 15/02/06. At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report.

A teleconference took place on 3rd April 2006. Committee decided to send out for Industry Consultation – Industry Consultation closed on 20th April 06. One Response was received. At the STC Committee meeting on 27th April 2006 the Committee AGREED to submit to the Authority. Amendment Report Submitted to Authority on 27th April 2006.

The Authority rejected CA017 on $14^{\rm th}$ June 2006 (In line with STC recommendation).

Date of Issue: 1st August 2006

STC AMENDMENT REGISTER - AS AT 1st August 2006

CA016

Modification Applications in Respect of Certain Embedded Power Stations

ProposerNational GridSubmitted13/12/05SubmittedNormalPriority

Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the assessment of the impact on the GB Transmission System of certain Embedded Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

This Amendment Proposal reflects the original CUSC Amendment Proposal CAP097 (as proposed by National Grid), which seeks to clarify National Grid's requirements of Small and Medium Embedded Power Stations as GBSO. National Grid is also proposing an Alternative Amendment to CA016, which would facilitate the revised process proposed by both the CAP097 Working Group Alternative Amendment 2 and the CAP097 Consultation Alternative Amendment 3 proposed by SP Transmission & Distribution.

Current status and progress

CA019 was discussed at the February Committee meeting. CA019 and Alternative have been proposed by SPTL as alternatives to CA017 and Alternative. This is linked to CA016 and CA017, and follows discussions at the CA016/17 working group held on 09/01/06, 01/02/06 and 15/02/06. At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report.

A teleconference took place on 3rd April 2006. Committee decided to send out for Industry Consultation – Industry Consultation closed on 20th April 06. One Response was received. At the STC Committee meeting on 27th April 2006 the Committee AGREED to submit to the Authority. Amendment Report Submitted to Authority on 27th April 2006.

Ofgem have approved CA016 Alternative Amendment on 14th June 2006. Implementation date of 14th July 2006.

Date of Issue: 1st August 2006

CUSC AMENDMENT REGISTER - AS AT 1st August 2006

All documents referred to in the Amendment Register are available on the National Grid CUSC website.

CAP124

Clarification of the withholding of payments for Operational Intertrips

Proposer National Grid

Submitted _{11/05/06}

Submitted Priority Normal

Amendment Description

It is proposed to change section 4.2A.5 to include an additional provision expanding upon the current clauses to clarify that a Restricted Export Level Payment or Intertrip Payment will be withheld should the Intertrip operate when a User has failed to disarm the System to Generator Operational Intertripping Scheme in accordance with an instruction from National Grid.

Current status and progress

CAP124 was presented to the May 2006 Panel meeting. The Panel decided that CAP124 should proceed to industry consultation. The consultation report was circulated on 23 May 2006 with a closing date of 20 June 2006. A CAA was proposed by E.ON and a second period of consultation commenced on 27 June, which will conclude on 11 July 2006. The Panel voted that the amendment better facilitated the applicable objectives of the CUSC on 28 July 2006.

CAP123

Quorum at Amendment Panel meetings held via teleconference

Proposer National Grid

Submitted 23/03/06

Submitted Priority Normal

Amendment Description

CAP123 proposes to change CUSC 8.9.2 to ensure the available conference provisions within CUSC 8.7.8 can be fully utilised and that meetings held via this provision are capable of being a quorate meeting of the Amendments Panel.

Current status and progress

CAP123 was presented to the March 2006 Panel meeting. The Panel decided that CAP123 should proceed to industry consultation. The consultation report was circulated on 3 April 2006 with a closing date of 25 April 2006. The Draft Amendment Report was circulated on 27 April 2006 with a closing date of 5 May 2006. The Panel voted that the amendment better facilitated the applicable objectives of the CUSC on 19 May 2006, The draft Amendment Reports was circulated to the Panel to ensure their vote was captured correctly with a closing date of 30 May 2006. The Amendment Report was issued to the Authority on 1 June 2006. The Authority approved the Amendment on 23 June 2006 for implementation on 7 July 2006.

CUSC AMENDMENT REGISTER - AS AT 1st August 2006

CAP122

Change to the definition of Intertrip Payment for Power Park Modules

Proposer National Grid

Submitted 23/03/06

Submitted Priority Normal

Amendment Description

CAP122 proposes to change the definition of Intertrip Payments within CUSC 4.2A.4(c) and associated terms, to one payment per Power Park Module instead of one payment per Generating Unit. In our view such a change is consistent with the underlying philosophy behind CAP076 and the applicable CUSC objectives and will remove the risk to the Industry of disproportionate costs were a Power Park Module to be tripped off the transmission system.

It is not the intention of this proposal to change the amount payable per trip, (i.e. £400,000), except in the specific context of Power Park Modules.

Current status and progress

CAP122 was presented to the March 2006 Panel meeting. The Panel decided that CAP122 should proceed to industry consultation. The consultation report was circulated on 6 April 2006 with a closing date of 5 May 2006. The Panel voted that the amendment better facilitated the applicable objectives of the CUSC on 19 May 2006, The draft Amendment Reports was circulated to the Panel to ensure their vote was captured correctly with a closing date of 30 May 2006. The Amendment Report was issued to the Authority on 1 June 2006. The Authority approved the Original Amendment on 6 July 2006 for implementation on 20 July 2006

CAP121

Amendment to Outturn Reconciliation

Proposer National Grid

Submitted 23/03/06

Submitted Priority Normal

Amendment Description

CAP121 proposes to change the CUSC provision CUSC 2.14.3 (c) in circumstances where Outturn Reconciliation cannot be completed within one year of the Completion Date, thus providing both National Grid and the Generator with the flexibly to agree mutually acceptable timescales to complete the reconciliation process. Where mutual agreement cannot be reached, the existing 12 month period would remain in force.

Current status and progress

CAP121 was presented to the March 2006 Panel meeting. The Panel decided that CAP121 should proceed to industry consultation. The consultation report was circulated on 4 April 2006 with a closing date of 26 April 2006. The Draft Amendment Report was circulated on 28 April 2006 with a closing date of 8 May 2006. The Panel voted that the amendment better facilitated the applicable objectives of the CUSC on 19 May 2006. The draft Amendment Reports was circulated to the Panel to ensure their vote was captured correctly with a closing date of 30 May 2006. The Amendment Report was issued to the Authority on 1 June 2006. The Authority approved the Amendment on 27 June 2006 for implementation on 11 July 2006.

CAP120 Connection Application Form – Alternative Connection Offers in England & Wales and Scotland

Proposer National Grid Submitted 23/03/06 Submitted Priority Normal

Amendment Description

CAP120 proposes to change the CUSC Application Form for Bilateral Connection Agreements, (CUSC Exhibit B) to include additional questions to ascertain whether an Applicant has or intends to make an alternative application for connection in England & Wales or Scotland (or vice versa) to enable National Grid to ensure disclosure of information within National Grid is managed in accordance with National Grid Licence Special Condition M.

An alternative connection application is when an Applicant applies for multiple connections to the GB transmission system at different locations and at least one location is outside National Grid's Transmission area i.e. Scotland and where the Applicant does not intend to connect at all the locations which they have applied for, but intends to connect at a location which is most beneficial for their project. Please note this does not apply to competing offers between the Scottish TO's, as no advantage can be gained by National Grid and the normal procedures for confidentiality shall apply.

The proposer requests and recommends that this Amendment Proposal proceeds straight to Industry Consultation for a period of 2 weeks as we believe that it would be beneficial to make this change in a timely way.

Current status and progress

CAP120 was presented to the March 2006 Panel meeting. The Panel decided that CAP120 should proceed to industry consultation. The consultation report was circulated on 3 April 2006 with a closing date of 25 April 2006. The Draft Amendment Report was circulated on 27 April 2006 with a closing date of 5 May 2006. The Panel voted that the amendment better facilitated the applicable objectives of the CUSC on 19 May 2006. The draft Amendment Reports was circulated to the Panel to ensure their vote was captured correctly with a closing date of 30 May 2006. The Amendment Report was issued to the Authority on 1 June 2006. The Authority approved the Original Amendment on 6 July 2006 for implementation on 20 July 2006

Date of Issue: 01 August 2006

CUSC AMENDMENT REGISTER – AS AT 1st August 2006

CAP119

Clarification of, and correction to, the table of Users' Credit Allowances

Proposer National Grid

Submitted 19/01/06

Submitted Normal

Amendment Description

CAP 119 proposes to update the table for Users' Credit Allowances as a % of unsecured Credit Cover.

Current status and progress

CAP119 was presented to the January 2006 Panel meeting. The Panel decided that CAP119 should proceed to industry consultation. The consultation report was circulated on 2nd February, with a closing date of 16 February 2006. A second period of consultation commenced on 21 February, which will conclude on 7 March 2006. The Draft Amendment Report was circulated on 23 March 2006. The Panel voted on 31 March 2006 for the Original Proposal. The Amendment Report was issued to the Authority on 26 April 2006. The Authority approved the Original Amendment on 1 June 2006 for implementation on 15 June 2006.

CAP113-118

Housekeeping Amendment

Proposer National Grid

Submitted 19/01/06

Submitted Priority Normal

Amendment Description

CAP's113 - 118 proposes to correct errors in various sections of the text.

Current status and progress

CAP113-118 was presented to the January 2006 Panel Meeting. The Panel decided that all the amendments proposed were consistent with the definition of a housekeeping amendment and should be processed in accordance with Paragraph 8.21.2 of CUSC. Amendment Report issued to Authority on 20 February 2006. The Authority approved the Amendment on 23 March 2006 for implementation on 7 April 2006.

CAP107

Redefinition of Response Energy Payment (REP) for Mandatory Frequency Response

Proposer E.On Submitted 08/12/05 Submitted Priority Normal

Amendment Description

CAP107 seeks to make a change to the calculation of Response Energy Payment under section 4.1.3.9A of CUSC so what a generator pays, or is paid, is its First Bid Price, for changes in energy output which occur as a result of delivering frequency response.

Currently the Response Energy is priced at a reference price which is the average of the time weighted average System Buy Price and time weighted average System Sell Price for the preceding calendar month.

By paying, or charging the relevant BMU a price equivalent to its First Bid Price, the generator concerned is able to more closely reflect its actual costs.

Current status and progress

CAP107 was presented to the December Panel Meeting. The Panel determined that CAP107 should proceed to consideration by the BSSG acting as a Working Group for a period of 3 months, presenting their Final Working Group Report to the March Panel Meeting. The Authority agreed to a month extension at the CUSC Panel meeting 24 February 2006. The Working Group will now report to April Panel Meeting. At the CUSC Panel Meeting on the 31 March 2006 the Authority agreed to an extension due to the proposed cancellation of the April meeting. The Working Group reported to the May Panel Meeting, where it was decided to proceed to Industry Consultation. The Consultation Document was issued 23 May 2006 with a closing date of 20 June 2006 for comments. A Draft Amendment Report is to be circulated to the industry for 5 days prior to the July CUSC Panel. The Panel voted on 28/07/06 for WGAAB as being the best option with a 3 month implementation from the Authority decision.

CAP097 Revision to the Contractual Requirements for Small and Medium Embedded Power Stations under 6.5

Proposer National Grid Submitted 21/07/05 Submitted Priority Normal

Amendment Description

This Amendment Proposal clarifies NGC's requirements from Embedded Small and Medium Power Stations in order to efficiently discharge its obligations imposed through the Transmission Licence and the Act. In setting out the requirements this Amendment Proposal recognises the Grid Code LEEMPS proposal in relation to the NGC/ DNO / Medium Power Station interfaces and seeks to ensure the CUSC processes under CUSC 6.5 are consistent with the requirements of the Grid Code.

This Amendment Proposal therefore includes additional requirements that whilst stand-alone support proposals by the LEEMPS working group under the Grid Code. The Grid Code changes are based on an indirect relationship between NGC and Embedded Medium Power Stations, facilitated via the DNO. The DNO would ensure the Embedded Medium Power Station complies with the relevant requirements of the Grid Code, including the provision of information to allow NGC to assess the impact of an Embedded development on the Transmission System.

Current status and progress

CAP097 was presented to the July Panel. The Panel determined that CAP097 should be considered by a Working Group and present their Final Report to the October Panel. The Working Group presented their Final Report to the Panel on 28th October. The Panel determined that CAP097 should proceed to wider industry consultation. The Consultation commenced on 10th November 2005, until the 12th December 2005. Consultation Alternatives were proposed during the Original Consultation period. The Consultation Alternative Consultation Document was circulated on 23rd December until 11th January 2006. The Draft Amendment Report was circulated on 23 January 2006. The Panel voted on 24 February 2006 for CAA1 as being the best option with a 10 day implementation. The Final Amendment Report was submitted to the Authority on 15th March 2006 for their consideration and determination. The Authority approved CAA2 Amendment on 14 June 2006 for implementation on 14 July 2006.

CUSC AMENDMENT REGISTER – AS AT 1st August 2006

CAP094

Limited Duration Transmission Entry Capacity

Proposer First Hydro

Submitted 15/06/05

Submitted Priority Normal

Amendment Description

CAP094 seeks to introduce a new access product – Limited Duration Transmission Entry Capacity (LDTEC). The current access products do not embrace circumstances where TEC is available for the remainder of the financial year but NGC is not able to grant enduring TEC because of the time taken to analyse a proposal or future rights not being available. The new product would also extend to circumstances where the generator only requires TEC for the remainder of the financial year and does not require enduring TEC rights.

Current status and progress

The Panel agreed that CAP094 should be considered by a Working Group reporting back to the August Panel. The Panel agreed to an extension of the working group consideration of one month and that the Working Group Report should be presented to the September Panel meeting. The Panel determined at the September meeting that CAP094 should proceed to wider industry consultation. The consultation report was circulated on 4th October, with a closing date of 4th November 2005. A second period of consultation was undertaken commencing on 14th November until 28th November 2005. The Draft Amendment Report was circulated on 5th December 2005. The Final Amendment Report was submitted to the Authority on 13th December 2005. The Authority approved the WGAA 5 Amendment on 22 February 2006 for implementation on 1 April 2006.

Grid Code Consultation Papers - Current Status Report – 14th August 2006

Paper Ref.	Grid Code Change Reference	Current Status	Data Provided	Notes
B/06	Regional Differences	Approved	8 th August 2006	Implementation date 1 st September 2006

P 206	Publication	Publication of BSC Panel Election Results					
Proposer	Ben Sheehy	Modification Description	Current progress	Current Status			
Organisation	E.ON UK PLC	BSCCo to disclose the number of preference votes p	An IWA in respect of P206 will be	ELEXON Committee/ BSC Panel			
Raised	03/08/2006		presented to the BSC Panel on 14 September 2006.				
Process	NORMAL	election to the BSC Panel. Subject to approval, this		Status update			
Authority Report Date	N/A	amendment should be implemented from the submission date of this Modification Proposal, in order to disclose the 2006 election results.		3-Aug-06			
Modification Group	TBC						

P 205	Increase in PA	AR level from 100MWh to 500MWh		
Proposer	Chris Welby	Modification Description	Current progress	Current Status
Organisation	GOOD ENERGY LTD			Urgent Timetable Applied
Raised	05/07/2006	500MWh, which will lessen the impact of P194 on smaller parties, in particular variable renewable generators, within the market. Property of P194 on smaller particular variable renewable generators, within the market.	Proposal. The Authority has consented to the urgent treatment of the proposal and has directed an urgent timetable for its	
Process	URGENT			Status update
Authority Report Date	27 September 2006			13-Jul-06
Modification Group	P205 Modification Group		progression.	

P 204	Scaled Zonal	Scaled Zonal Transmission Losses					
Proposer	John Capener	Modification Description	Current progress	Current Status			
Organisation	BRITISH ENERGY	This proposal seeks avoid the difficulties of previous	On 13 July 2006, the BSC Panel submitted	Assessment Procedure			
Raised	03/07/2006	proposals by apportioning a proportion of losses locationally, but without creating large gross flows					
Process	NORMAL	between locations which exaggerate errors in the processing, create uncertainty and risk, and create windfall winners and losers. These features still exist, but in diluted form more likely to be acceptable to the majority		Status update			
Authority Report Date	TBC			4-Aug-06			
Modification Group	TBC	of industry parties and proportionate to the defect.					

P 203	Introduction of a seasonal Zonal Transmission Losses scheme				
Proposer	Terry Ballard	Modification Description	Current progress	Current Status	
Organisation	RWE NPOWER	This modification is based on the seasonal alternative	On 13 July 2006, the BSC Panel submitted	Assessment Procedure	
Raised	26/06/2006	solution to P198 developed at the modification group but without any phasing. Seasonal zonal Transmission Loss	P203 to a 1 month Assessment Procedure, with an Assessment Report to		
Process	NORMAL	Factors (TLF) (the "applicable TLFs") would be derived ex	be presented to the Panel on 10 August	Status update	
Authority Report Date	tbc	ante for application to generation and demand BMUs within a zone (the "applicable zone") for each of the four BSC seasons. The proposed scheme would retain the	2006.	4-Aug-06	
Modification Group	TBC	current process for allocating transmission losses to generation and demand (45% of transmission losses to production accounts and 55% to consumption accounts).			

P 202	Energy Imb	alance Incentive Band		
Proposer	Keith Munday	Modification Description	Current progress	Current Status
Organisation	BIZZENERGY	All supplier trading parties with consumption accounts	The proposer requested that the	Urgent Timetable Applied
Raised	07/06/2006	under the BSC should be allowed an Energy Imbalance Tolerance Band in certain defined circumstances. The	Modification be treated as urgent and the Panel recommended that the proposal not	
Process	URGENT	band should be 20MWh per half-hour trading period.	the urgent treatment of the proposal and has directed an urgent timetable for its progression.	Status update
Authority Report Date	August 2006	at a different price to the current cashout price. The circumstances where this should be applied would be		12-Jun-06
Modification Group	PSMG			

P 201	Energy Imbalance Tolerance Band						
Proposer	Bill Bullen	Modification Description	Current progress	Current Status			
Organisation	UTILITA	This Modification proposes all supplier trading parties with	3	Urgent Timetable Applied			
Raised	26/05/2006	an Energy Imbalance Tolerance Band in certain defined circumstances. The band should be 20MWh per half-hour trading period.	Progress P202 - 'Energy Imbalance Incentive Band' as an Urgent Modification Proposal BSCCo recommended that P201 should also be progressed as an Urgent Modification Proposal. The Authority has decided that this Modification should be				
Process	URGENT			Status update			
Authority Report Date	August 2006			14-Jun-06			
Modification Group	PSMG		progressed as an Urgent Modification Proposal.				

P 200	Introduction	of a Zonal Transmission Losses scheme		
Proposer	Phil Lawless	Modification Description	Current progress	Current Status
Organisation	TEESSIDE POWER	Under the current BSC arrangements all transmission	On 11 May 2006, the BSC Panel	Assessment Procedure
Raised	24/04/2006	system losses are allocated to BSC parties in proportion to metered energy, whether production or consumption on a	submitted P200 to a 3-month Assessment Procedure, with an Assessment Report to	
Process	NORMAL	uniform allocation basis (45% to production accounts,	be presented to the Panel on 10 August 2006.	Status update
Authority Report Date	August 2006	55% to consumption accounts). Therefore the current system provides no signal as to the different effect on transmission losses of generating and consuming		16-May-06
Modification Group	P198 MG	electricity in different parts of the country. The proposed scheme combines a transitional hedging scheme with the redefinition of TLFs proposed under P198. Therefore, if P198 addresses defects in the BSC, this proposed modification addresses exactly the same defects, whilst also providing a beneficial method of avoiding unnecessary windfall gains and losses.		

VASMG

Modification Group

P 198	Introduction	tion of a Zonal Transmission Losses scheme			
Proposer	Terry Ballard	Modification Description	Current progress	Current Status	
Organisation	RWE NPOWER	It is proposed that a zonal transmission losses scheme is	On 09 March 2006, the BSC Panel noted	Assessment Procedure	
Raised	16/12/2005	introduced to the GB BSC. This scheme would be based on the P198 Interim Report and the recommendations of the P198 Transmission Loss Factor (TLF) (the "applicable TLF") Modification Group; and agreed an would be derived ex ante for application to generation and demand BMUs within a zone (the "applicable zone") for a relevant period (the "applicable period"). The proposed scheme would retain the current process for allocating transmission losses to generation and demand (45% oftransmission losses to production accounts and 55% to consumption accounts).	•		
Process	NORMAL		Status update		
Authority Report Date	August 2006		timetable of three months, such that an Assessment Report will be presented to the Panel at its meeting of 10 August	27-Jan-06	
Modification Group	P82 TLFMG				

P 197	SVA Qualification Processes Review					
Proposer	Glenda Simons	Modification Description	Current progress	Current Status		
Organisation	LAING ENERGY	This Modification proposes changes to the SVA	Final Modification Report issued to the	Authority		
Raised	12/12/2005	Qualification Processes (Entry Processes, Certification and Accreditation) as recommended by the SVA Qualification	Authority for determination on 14 June 2006. This report recommended that the			
Process	NORMAL	Review Group and the Supplier Volume Allocation Group following the review of SVA Qualification Processes.	Proposed Modification should not be made and the Alternative Modification	Status update		
Authority Report Date	14 June 2006	ionowing the review of 50% Qualification Processes.	should be made.	14-Jun-06		