

What stage is this document in the process?

- 01 Initial Written Assessment
- 02 Definition Procedure
- 03 Assessment Procedure
- ▶ 04 Report Phase

## Stage 04: Final Modification Report

# P245: Changes to Long Term Vacant Site Timescales

To declare a site as Long Term Vacant, a Supplier must receive at least two data flows from their Non Half Hourly Data Collector “not less than three months and not more than seven months apart”.

P245 Proposed Modification changes this requirement to “not less than 75 calendar days and not more than 215 calendar days apart”.

P245 Alternative Modification additionally moves all the Long Term Vacant timescale details from the BSC to BSCP504; describes these timescales in BSCP504 in terms of calendar days; and clarifies the wording of BSC Annex S-2 paragraph 4.3.20.



The Panel recommends  
**Approval of P245 Alternative Modification**



The Panel recommends  
**Rejection of P245 Proposed Modification**



Low Impact:  
Suppliers and Non Half Hourly Data Collectors

P245  
Final Modification Report

12 February 2010

Version 1.0

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### Any questions?

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Contact:  
**Andrew Wright**



[andrew.wright@elexon.co.uk](mailto:andrew.wright@elexon.co.uk)

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**020 7380 4217**

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## About this document:

This document is a Final Modification Report, which was sent to the Authority on 12 February 2010, on behalf of the Panel. The Authority will consider the Panel's recommendations, and decide whether or not this change should be made.

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P245  
Final Modification Report

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## Why Change?

For a site to be classified as Long Term Vacant (LTV), one of the BSC's requirements is that a Supplier must receive at least two data flows from their Non Half Hourly (NHH) Data Collector (DC) stating the site is unoccupied. The Supplier must currently receive these flows "not less than **three months** and not more than **seven months** apart".

This requirement was originally intended to pick up unoccupied sites with 3-monthly and 6-monthly read cycles. However, in practice it potentially excludes some sites which are read every 3 months (quarterly), as there is a two week window either side of the quarterly read date in which the read may actually be taken. A site with a quarterly read cycle could in practice be read at 2½ months. This means that some legitimate LTV sites are not classified as LTV because they are read outside the LTV timescales.

In addition, the BSC Auditor has identified that some Suppliers are unsure how to apply the calendar month timescale because the number of calendar days in a month can vary.

## Proposed Solution

P245 Proposed Modification would amend the timescale requirement to "not less than **75 calendar days** and not more than **215 calendar days** apart".

This would relax the lower end timescale from 3 months to 2½ months, as well as expressing the timescale in a way which clarifies the exact number of calendar days.

## Alternative Solution

In addition, the P245 Modification Group has developed an Alternative Modification.

This Alternative would:

- Include the changes set out in the Proposed Modification (see above);
- Move the details of LTV timescale requirements from the BSC and place them in BSCP504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS';
- Express all LTV timescale requirements in 'calendar days' rather than 'months'; and
- Tidy up the wording of BSC Annex S-2 paragraph 4.3.20. This paragraph describes the rules by which the closure date of a customer's account can be used as the start date for an LTV site's zero Estimated Annual Consumption (EAC) value.

## Impacts & Costs

The P245 Proposed Modification would require changes to BSC Section S and BSCP504. The draft changes are provided in Attachments C and E.

The P245 Alternative Modification would require changes to BSC Section S, Annex S-2 and BSCP504. The draft changes are provided in Attachments D and F.

P245 would impact Suppliers who use the voluntary LTV process. Suppliers who responded to the Assessment Consultation reported either no impact or minor impacts on their business, to amend their systems and processes.

P245 does not impact NHHDCs directly. This is because P245 simply amends and clarifies the timescales in which Suppliers can start the LTV process using the data flows they already receive from their NHHDCs. However, relaxing the lower end timescale from 3 months to 2½ months may remove the need for some Suppliers to arrange extra site visits by their NHHDCs in order to use the LTV process.

## Implementation

The Panel's recommended Implementation Date for P245 is:

- 31 March 2010 if an Authority decision is received on or before 24 March 2010, or
- 5 Working Days after an Authority decision if the Authority decision is received after 24 March 2010.

## The Case for Change

The Panel believes that P245 will improve the LTV process by:

- Adding clarity, transparency and simplicity to the LTV timescales;
- Increasing the efficiency of the process as Suppliers on quarterly read cycles are less likely to need to repeat site visits to comply with the LTV timescale requirements; and
- Reducing the volume of potentially misallocated energy that arises from legitimately LTV sites not entering the LTV process at the earliest opportunity.

The Panel unanimously believes that both the Proposed Modification and the Alternative Modification are better than the current LTV arrangements. However, the Panel unanimously believes that the Alternative provides a greater benefit than the Proposed in the above areas.

## Recommendations

The Panel unanimously recommends that the P245 Alternative Modification **should be** made.



### Modification P196 - introducing the Long Term Vacant site process

We implemented Modification P196 'Treatment of Long Term Vacant Sites in Settlement' in February 2007. Before P196, many NHH LTV sites were being settled on non-zero EACs which did not reflect the true (zero) consumption of those sites.

P196 introduced a voluntary process under which a zero EAC can be applied to NHH LTV sites.

### The P196 requirement for two site visits 3 to 7 months apart

For a site to be treated as LTV, the Supplier must receive at least two D0004 'Notification of Failure to Obtain a Reading' flows from their NHHDC "not less than three months and not more than seven months apart". In each case the J0024 'Site Visit Check Code' data item in the D0004 must be populated with a 02 code – Site not Occupied.

The P196 Modification Group chose these timescales so that Suppliers with 3 monthly and 6 monthly read cycles could use the LTV process without changing their Meter read cycles.

The greatest period allowed between reads was 7 months, as opposed to 6 months. This was to cater for 'walk orders' (the window during which a Meter reading is taken – for example, two weeks either side of the Meter reading date) on a 6 month read cycle where readings were actually taken slightly more than 6 months apart.

### Issues with the current requirement

The P245 Proposer has identified two issues:

1. Using a Technical Assurance (TA) check, the Performance Assurance Board (PAB) identified that some Suppliers are sending D0004 flows outside the 3-7 month period due to their Meter reading cycles falling outside these timescales. The full non-confidential report, including other P196 related issues, can be found in paper [PAB84/09](#).
2. The BSC Auditor identified that some Suppliers are unsure how to apply the calendar month timescale ([BSC Auditor's Issue Document for the Supplier Market as at 31 March 2009](#)). For example, does 3 months mean 90 calendar days, or is it dependent on the number of calendar days in each month?

### BSCP40 issue 4 and the P196 Review Group

We raised BSCP40 issue 4 'Improvements and Clarifications to the LTV Site process' to investigate the issues highlighted by the TA check and the BSC Auditor. We recommended that the Supplier Volume Allocation Group (SVG) should convene the P196 Review Group to discuss issue 4 and identify potential solutions. The Group met once and presented its report to the SVG on 2 June 2009 (see paper [SVG100/05](#)).

For the two site visit timescale issues, the P196 Review Group proposed that:

**The time period within which the Supplier must receive two D0004 flows should be changed from at least 3 months apart and not more than 7 months apart, to at least 75 calendar days apart and not more than 215 calendar days apart.**

### How does a Supplier register a Long Term Vacant site?

To register a site as LTV a Supplier must:

1. Receive at least two D0004 flows from their NHHDC which state the site is not occupied, and which are sent not less than three months and not more than seven months apart.
2. Make proactive attempts to obtain a Meter reading.
3. Ensure the site is energised according to the Supplier Meter Registration Service (SMRS).

These requirements are set out in Section S2.8 of the BSC and in Appendix 4.15 of BSCP504.

The rationale for changing the timescales from 3 months to 75 calendar days (2½ months) is to account for read windows for sites on a 3 monthly read cycle which the NHHDC actually reads at 2½ months. This is in line with the original rationale used by the P196 Modification Group for making the upper limit 7 months.

The rationale behind changing the requirement to calendar days is to remove the ambiguity which Suppliers reported to the BSC Auditor.

Note that, while it is not the Proposer's intention to change the upper end of the timescales, 215 calendar days will not always be exactly 7 months because the number of actual calendar days in a month will vary.

### 3 Proposed Modification Solution

#### How would P245 Proposed Modification resolve the issues?

The Proposed Modification would change the LTV site timescale requirement for the Supplier to receive at least two D0004 flows from their NHHDC.

The current requirement in Section S2.8.3(a) and in BSCP504 Appendix 4.15.1 states:

**“not less than three months and not more than seven months apart”**

The Proposed Modification would change the requirement to state:

**“not less than 75 calendar days and not more than 215 calendar days apart”**

The Group believes this would resolve the issues by:

- Accounting for sites on a 3 monthly read cycle which are actually read at 2½ months; and
- Making the timescales clearer for participants by stating them in calendar days.

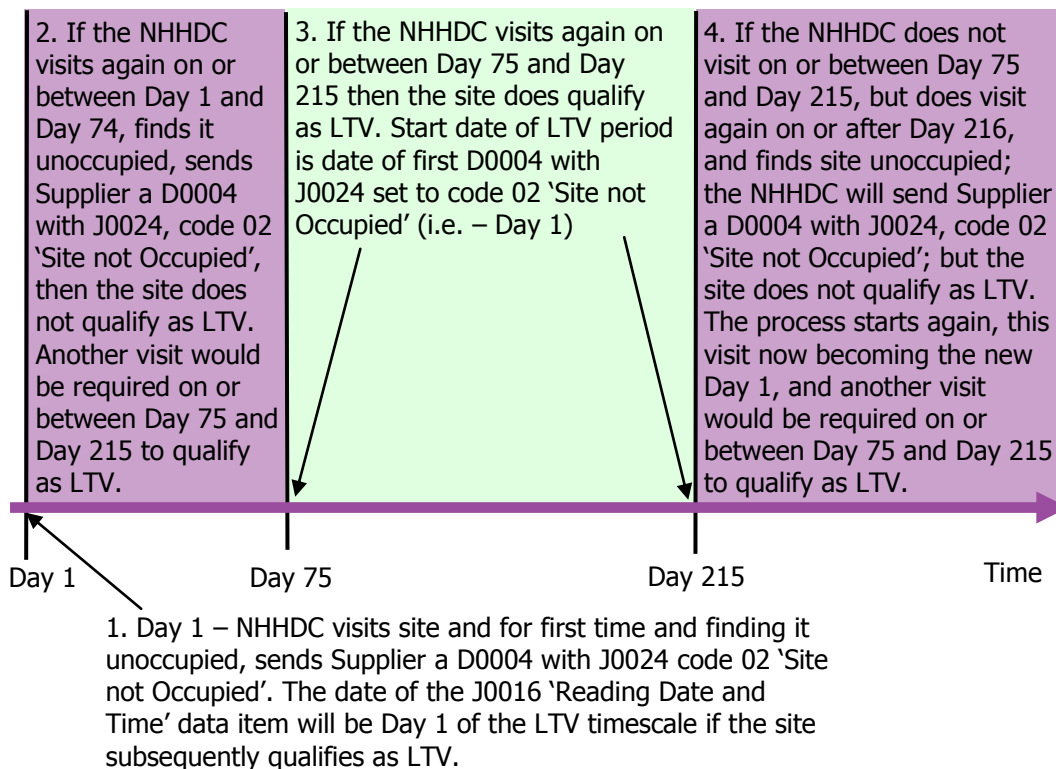
See Attachment C and Attachment E for the redline changes to the BSC and BSCP504, respectively.

#### How would this work in practice?

The following diagram shows how this amended process would work.

If a subsequent site visit takes place within the red shaded areas then the site does not qualify as LTV. If a subsequent site visit occurs in the green shaded region then the site does qualify as LTV.

**Figure 1 – P245 Proposed Long Term Vacant process**



**How many legitimate LTV sites are excluded from the current process?**

The Proposer has conducted analysis and found that currently **18% of their LTV sites are initially excluded from the LTV process under the current timescale of 3 months, but could be included under the P245 timescale of 75 days.**

These sites currently have to be confirmed as LTV using a subsequent site visit. This prolongs the period of time in which they continue to have a non-zero EAC in Settlement which does not reflect their true (zero) consumption.

ELEXON used the Proposer’s analysis (18% of LTV sites initially excluded from the LTV process) to assess the volume of potentially misallocated energy that can be attributed to the sites in the process at a point in time.

Based on the Proposer’s analysis, we have calculated that, **across the market, between 5,400 and 9,000 sites are initially excluded from the LTV process.** By initially excluding these sites, **the potentially misallocated energy is between 7,859MWh and 13,099MWh** (depending on the total number of LTV sites).

Potentially misallocated energy across the market		
Total number of LTV sites	Sites initially excluded (18%)	Potentially misallocated energy across the market
30,000	5,400	<b>7,859MWh</b>
50,000	9,000	<b>13,099MWh</b>

These figures represent the potentially misallocated energy at this point in time (as opposed to a fixed time period such as a year).

Please note it is not possible to convert the misallocated energy volumes into monetary figures for the market. This is because any misallocated energy would cause a difference in imbalance charges for each impacted Party. Hence the monetary cost is entirely dependent on the Party's imbalance position for each impacted Settlement Period, whether it is exposed to System Sell Price (SSP) or System Buy Price (SBP) and what the price of SSP or SBP is for each Settlement Period. Therefore a market wide figure would involve too many assumptions to be meaningful.

See Attachment B Section 4 for a full description of the analysis we used and our assumptions.

## Would there be any other potential cost savings?

There may be cost savings for Suppliers who would not need to do additional site visits under P245. If a site falls outside of the current LTV timescales (i.e. the site visit occurs between 2½ and 3 months after the initial D0004), the Supplier may choose to commission an additional site visit that falls within the current timescale (3 to 7 months following the initial D0004 flow).

The Modification Group estimated that the cost of a single site visit was approximately £8. Assuming an additional site visit is undertaken for each of the 5,400 or 9,000 sites which are initially excluded from the LTV process gives the following savings:

Potential cost savings from additional site visits not required under P245		
Total number of LTV sites	Sites initially excluded (18%)	Potential cost savings across the market
30,000	5,400	<b>£43,200</b>
50,000	9,000	<b>£72,000</b>

The Group noted that these figures are maximum cost savings as some Suppliers may choose not to do additional site visits.



### What does the Alternative Modification do?

In addition to the timescale and terminology changes set out in the Proposed Modification, the Group was keen to improve the clarity of other related LTV timescales. The Group unanimously agreed to progress an Alternative Modification which would do this in the ways described below.

### Moving timescales to BSCP504

The Group believed that the requirement to have timescales around when a site can be treated as Long Term Vacant should remain in the BSC, but the detail of what those timescales are should be moved from the BSC into BSCP504. This is to enable any future amendments to these timescales to be progressed through a Change Proposal (CP) without the need to go through the full Modification Process.

The Group believed that this level of operational detail was better suited to a BSCP. It also noted that BSCP504 already largely duplicates the BSC's timescale requirements and that, in practice, most Suppliers and NHHDCs refer to the BSCP. Respondents to the Group's Assessment Consultation unanimously supported this view.

### Expressing all LTV timescales in 'calendar days'

The Group noted that there are other, related, LTV process timescales which are also currently expressed in 'months' and would not be updated by the Proposed Modification.

The Group believed that it would improve the clarity of the LTV process to express all timescales in calendar days. The Group therefore agreed that all LTV timescales should be given in calendar days within BSCP504. A table of these timescale requirements can be found in Attachment B.

The draft BSC legal text for the P245 Alternative Modification is provided in Attachment D. The redline changes to BSCP504 are provided as Attachment F.

### Clarifying Annex S-2 paragraph 4.3.20

The Group identified a requirement in Annex S-2 paragraph 4.3.20 that it believed was currently ambiguous and should be clarified.

The start date of a site being LTV (and its associated zero EAC) is usually the date of the first D0004 with Site Visit Check Code 02. However, there is one exception to this rule. Where a customer has closed its account shortly before the first D0004 with Site Visit Check Code 02, the Supplier can use the date on which a customer closed its account as the start date for the LTV period. This is provided that the Supplier has a Meter reading for the account closure date, and that this date is not longer than 7 months before the first D0004 with Site Visit Check Code 02.

The P196 Group originally agreed this provision to reflect that, in these circumstances, the likelihood was that the site had been vacant (and therefore had zero consumption) from when the last registered customer had moved out.

The Group noted that the current wording in Annex S-2 paragraph 4.3.20 is ambiguous and that its clarity could be improved to better reflect the P196 Group's original intention. The Group has therefore redrafted paragraph 4.3.20 to remove the ambiguity. Attachment D contains the Group's proposed wording, and Attachment B explains the clarifications in more detail.

## 5 Impacts & Costs

### Impacts and Costs

The P245 Proposed Modification will impact:

- BSC Section S as set out in the Proposed Modification legal text (Attachment C); and
- BSCP504 as set out in Attachment E.

The P245 Alternative Modification will impact:

- BSC Section S and Annex S-2 as set out in the Alternative Modification legal text (Attachment D); and
- BSCP504 as set out in Attachment F.

Assessment Consultation respondents reported that P245 would either have no impact or a minor impact (as some would need to amend their systems and processes). The industry implementation costs were generally described as minimal or low.

The Transmission Company reported no impact. The Group also does not envisage an impact on the Master Registration Agreement (MRA) Data Transfer Catalogue or Data Transfer Network, as the actual D0004 flow would remain unchanged.

### ELEXON implementation costs

ELEXON's costs arise from implementing and publishing changes to the BSC and BSCP504, and from updating our Long Term Vacant Guidance Note.

ELEXON Cost		ELEXON Service Provider cost	Total Cost
Man days	Cost		
4	£960	£0	<b>£960</b>

## 6 Implementation

### How would P245 be implemented?

The Panel agrees with the Group's view that P245 is a beneficial change that should be implemented at the earliest opportunity. For details of the Group's reasoning on the Implementation Date, see Section 6 Attachment A. The Panel initially agreed with the Group's recommendation that P245 be implemented:

- On 29 March 2010 if an Authority decision is received on or before 22 March 2010; or
- 5 Working Days after an Authority decision, if the Authority decision is received after 22 March 2010.

However, the Panel slightly amended the P245 Implementation Date following the approval of Urgent Modification P246 'Reporting to LDSOs of Aggregated Metering Data for Embedded Networks'. P246 will be implemented on 31 March 2010. The Panel agreed with ELEXON's recommendation to align the P245 Implementation Date with the P246 Implementation Date. This will be more efficient.

Hence, the Panel recommends that P245 is implemented:

- On 31 March 2010 if an Authority decision is received on or before 24 March 2010; or
- 5 Working Days after an Authority decision, if the Authority decision is received after 24 March 2010.

## 7 The Case for Change

### Proposed Modification vs. the current baseline

**The Panel, the Group and Assessment Consultation respondents unanimously believe that the Proposed Modification would be better than the current arrangements.**

The Group and respondents cited either Applicable BSC Objectives (c) and (d), only Applicable BSC Objective (c), or only Applicable BSC Objective (d).

The Panel agreed with the Group that the Proposed Modification better facilitated Applicable BSC Objectives (c) and (d). However, they noted that the arguments were much stronger for Applicable BSC Objective (d).

The following reasons were given against these Objectives:

#### Applicable BSC Objective (c):

- P245 Proposed Modification would reduce the volume of potentially misallocated energy that arises from legitimately LTV sites not entering the LTV process at the earliest opportunity. This would increase the accuracy of Settlement. It would also promote competition because the make-up of the Supplier's portfolio, in terms of LTV sites, would have less influence on their ability to settle accurately;
- P245 Proposed Modification benefits competition as it clarifies the LTV timescales - making the LTV process more transparent, simple and understandable for Suppliers and NHHDCs; and
- P245 Proposed Modification benefits competition as it increases the efficiency of the LTV process for Suppliers on quarterly read cycles, as they are less likely to need to repeat site visits in order to comply with the timescales. Suppliers using quarterly read cycles would be able to take full advantage of their additional reads when compared to Suppliers who read every 6 months.

#### Applicable BSC Objective (d):

- P245 Proposed Modification increases the clarity, transparency and simplicity (and thereby the efficiency) of this element of the BSC arrangements.

### Alternative Modification vs. the current baseline

**The Panel, the Group and the Assessment Consultation respondents unanimously believe the Alternative Modification would also be better than the current arrangements.**

As for the Proposed Modification, the Group and respondents cited either Applicable BSC Objectives (c) and (d), only Applicable BSC Objective (c), or only Applicable BSC Objective (d).

The Panel agreed with the Group that the Alternative Modification better facilitated Applicable BSC Objectives (c) and (d). However, they noted that the arguments were much stronger for Applicable BSC Objective (d).

The Panel, the Group and respondents noted that the arguments for the Proposed Modification (see above) also applied to the Alternative Modification, although the identified benefits would be even greater under the Alternative because all LTV timescales would be more transparent and consistent.

In addition to the arguments for the Proposed Modification, the Panel and the Group also identified the following additional benefits from the Alternative Modification:

#### **Applicable BSC Objective (c):**

- P245 Alternative Modification will also remove the current ambiguity in Annex S-2 4.3.20. This makes the LTV process easier to understand for all Suppliers;
- P245 Alternative Modification benefits competition as it clarifies all the LTV timescales (as opposed to one timescale) - making the LTV process more transparent, simple and understandable for Suppliers and NHHDCs; and
- By reducing the current ambiguity in the BSC and BSCP504, the P245 Alternative Modification would potentially improve the take up of the optional LTV process among Suppliers.

#### **Applicable BSC Objective (d):**

- By clarifying additional LTV timescales, through the use of calendar days rather than months, P245 Alternative further increases the clarity of the BSC and BSCP504. This would also make the LTV timescales easier to audit as there is clarity in the timescales;
- P245 Alternative Modification will decrease the cost of progressing any future timescale changes by removing need for a Modification Proposal and allowing such changes to be progressed through a CP.

### **Alternative Modification vs. the Proposed Modification**

**The Panel, the Group and Assessment Consultation respondents unanimously believe that the Alternative Modification would be better than the Proposed Modification overall.**

The Group and respondents particularly favoured the additional consistency and clarity that the Alternative Modification gave over the Proposed Modification, for the reasons given above.

### Panel's consideration of Assessment Report

#### Initial views against the Applicable BSC Objectives

The Panel agreed with the Group that the Proposed and Alternative Modifications better facilitate Applicable BSC Objectives (c) and (d). However, they noted that the arguments were much stronger for Applicable BSC Objective (d). The Panel unanimously believed both the Proposed and the Alternative were better than the current arrangements, and that the Alternative was better than the Proposed.

#### Should the Long Term Vacant timescale details be moved from the BSC to BSCP504?

One Panel Member questioned whether the LTV timescale details should be moved from the BSC to BSCP504. They noted that the introduction of the LTV process was controversial and one of the outcomes was including all LTV timescale details in the BSC so that the Panel had oversight. Maybe the Panel should continue having oversight over this?

Another Panel Member disagreed. They believed that BSCP504 was the appropriate place for the LTV timescale details. Although the introduction of the LTV process had initially been controversial it had now been in operation without problems for several years. The Modification Group and the consultation respondents were unanimous that BSCP504 was the better place for the timescale details than the BSC. Any changes to BSCP504 would require a CP. In order for the CP to be approved the Supplier Volume Allocation Group (SVG) would need to make a unanimous decision. In the event they did not then the CP would be referred to the Panel. The Panel also provide a representative to the SVG and receive a report on all SVG business at each meeting.

The other Panel Members agreed that the LTV timescale requirements should be moved to BSCP504. The Panel Member that disagreed commented that, his concerns aside, he still believed the Alternative Modification was better than the Proposed and the current baseline.

#### "What we are dealing with here is three distinct issues"

One Panel Member identified that the P245 Alternative Modification addresses three distinct issues:

- The current LTV timescales potentially lead to a misallocation of energy;
- The LTV timescales are unclear; and
- Needing to raise a Modification Proposal to amend the LTV timescale details is inefficient.

The Panel Member believed that each issue has a separate argument that should be documented.

#### The current timescale potentially leads to a misallocation of energy

By amending the lower-end timescale from 3 months to 75 days, P245 will allow legitimate LTV sites to enter the process at the earliest possible opportunity. This increases the accuracy of Settlement, as LTV sites with zero consumption will be apportioned a zero EAC at the earliest opportunity. This better facilitates Applicable BSC Objectives (c) and (d).

It better facilitates Applicable BSC Objective (c) by:

- promoting competition because the make-up of the Supplier's portfolio, in terms of LTV sites, would have less influence on their ability to settle accurately; and
- increasing the efficiency of the LTV process for Suppliers on quarterly read cycles, as they are less likely to need to repeat site visits in order to comply with the timescales.

It better facilitates Applicable BSC Objective (d) by:

- increasing the accuracy of Settlement.

### **The LTV timescales are unclear**

By referring to all LTV timescales in calendar days, and removing the ambiguity from Annex S-2 4.3.20 the Alternative Modification better facilitates Applicable BSC Objectives (c) and (d).

It better facilitates Applicable BSC Objective (c) by:

- making the LTV processes easier to understand for all Suppliers – thus removing competitive advantage for those Suppliers who are able to devote more resource into understanding the current arrangements.

It better facilitates Applicable BSC Objective (d) by:

- increasing the clarity, transparency and simplicity (and thereby the efficiency) of this element of the BSC arrangements.

### **Needing to raise a Modification Proposal to amend the LTV timescale details is inefficient**

By moving the LTV timescale details from the BSC to BSCP504 the Alternative Modification better facilitates Applicable BSC Objective (d) as it would:

- reduce the cost of future changes to the LTV timescale details.

### **“Reducing the misallocated energy better facilitates Applicable Objective (d)”**

Another Panel Member emphasised that the key benefit of P245 would be reducing the misallocated energy that potentially exists in the current arrangements. In their view this was improving the implementation and efficiency of the balancing and settlement arrangements, and so better facilitated Applicable BSC Objective (d).

## 9 Report Phase Consultation Responses

### Unanimous support

Report Phase Consultation respondents unanimously supported the Panels initial recommendations. Respondents cited similar arguments as the Modification Group and the Panel. No respondents raised any new arguments or comments on the legal text/BSCP redlining. The draft legal text/redlining is therefore unchanged from that provided in the Assessment Report. The following table summarises the consultation responses which ELEXON received. You can download the full individual responses [here](#).

	Question	Responses
1	Do you agree with the Panel's unanimous view that the Proposed Modification should be rejected?	5 Yes - <b>Unanimous</b> 0 No
2	Do you agree with the Panel's unanimous view that the Alternative Modification should be approved?	5 Yes - <b>Unanimous</b> 0 No
3	Do you agree with the Panel's suggested Implementation Date? <ul style="list-style-type: none"><li>• 29 March 2010 if an Authority decision is received on or before 22 March 2010, or</li><li>• 5 Working Days after an Authority decision if the Authority decision is received after 22 March 2010.</li></ul>	5 Yes - <b>Unanimous</b> 0 No
4	Do you agree that the legal text delivers the intention of P245 Proposed Modification?	5 Yes - <b>Unanimous</b> 0 No
5	Do you agree that the legal text delivers the intention of P245 Alternative Modification?	5 Yes - <b>Unanimous</b> 0 No
6	Do you agree that the BSCP504 redline changes deliver the intention of P245 Proposed Modification?	5 Yes - <b>Unanimous</b> 0 No
7	Do you agree that the BSCP504 redline changes deliver the intention of P245 Alternative Modification?	5 Yes - <b>Unanimous</b> 0 No
8	Do you have any further comments on P245?	0 Yes 5 No - <b>Unanimous</b>

### Comments on the proposed Implementation Dates

Respondents provided comments on the Panel's choice of an earlier Implementation Date. Three respondents agreed that P245 should be implemented at the earliest possible opportunity as opposed to a scheduled Release. One of those respondents commented:

"[We] will aim to introduce any changes to its processes to accommodate this as soon as possible, following an Authority decision. However, [our] systems will remain compliant until system changes...can be implemented."

Another respondent agreed with the proposed Implementation Dates but commented:

"We would prefer a later implementation date as referenced in our previous response however we can support the Panel's suggested implementation date."

It should be noted that the Panel has chosen the Implementation Dates so that Parties who are able to implement by the Implementation Date will be able to benefit as soon as possible from the LTV timescale changes. And Parties who require longer to implement will still be compliant with the new timescales while they update their systems and processes.

## 10 Panel's Final Views and Recommendations



### Recommendation

The Panel's unanimous recommendation is that the Alternative Modification should be made.

### Panel's consideration of Report Phase Consultation responses

The Panel noted the Report Phase Consultation responses unanimously supported the Panel's initial recommendations.

### Amending the P245 Implementation Date to align with the P246 Implementation Date

As stated in Section 6, the Panel agreed with ELEXON's recommendation to align the P245 Implementation Date with Approved Modification P246. This changes the first Implementation Date from **Monday 29 March 2010** to **Wednesday 31 March 2010**. It changes the first 'decision by' date from Monday 22 March 2010 to **Wednesday 31 March 2010**. The second Implementation Date would be 5 Working Days following an Authority decision is one is received after Wednesday 24 March 2010.

### Panel believes Proposed Modification is better than the current arrangements

The Panel noted that, although they recommend rejecting the Proposed Modification, they believe the Proposed Modification is better than the current arrangements. However, the Alternative Modification is better than the Proposed Modification. Hence they recommend the Proposed Modification is rejected and the Alternative Modification is approved.

### Recommendations

The Panel unanimously recommends to the Authority:

- that Proposed Modification P245 **should not** be made;
- that Alternative Modification P245 **should** be made;
- an Implementation Date for the Proposed Modification or Alternative Modification of:
  - 29 March 2010 if an Authority decision is received on or before 22 March 2010; or
  - 5 Working Days after an Authority decision, if the decision is received after 22 March 2010; and
- the proposed text for modifying the Code and BSCP504, as set out in the Modification Report.

## 11 Further Information

More information is available in:

Attachment **A**: Assessment Report

Attachment **B**: Detailed Assessment

Attachment **C**: Legal Text for P245 Proposed Modification

Attachment **D**: Legal Text for P245 Alternative Modification

Attachment **E**: BSCP504 changes for P245 Proposed Modification

Attachment **F**: BSCP504 changes for P245 Alternative Modification

You can find other related documentation on the [P245 page of the ELEXON website](#).

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