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Ofgem
9 Millbank
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The Retail Market Review: Non-domestic Proposals

Dear Louise,

ELEXON welcomes the opportunity to respond to this consultation. While retail market issues are outside the scope of the BSC, we have a comment on the use of Profile Class definitions and version numbers within Supply Licence conditions. The draft changes to the Supply Licence include the following references to Balancing and Settlement Code Procedure BSCP516:

"Condition 7A. Supply to Small Business Consumers"

"7A.14 In this condition:

[Electricity only] "Profile Class 3" must be interpreted in accordance with the Balancing and Settlement Code document titled "BSC Procedure Allocation of Profile Classes & SSCS for Non-Half Hourly SVA Metering Systems Registered in SMRS BSCP516 Version 7.0" and the meaning given to "Profile Class" in the Balancing and Settlement Code;

[Electricity only] "Profile Class 4" must be interpreted in accordance with the Balancing and Settlement Code document titled "BSC Procedure Allocation of Profile Classes & SSCS for Non-Half Hourly SVA Metering Systems Registered in SMRS BSCP516 Version 7.0" and the meaning given to "Profile Class" in the Balancing and Settlement Code;"

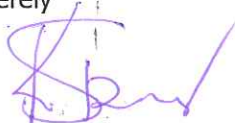
We have some concerns about referencing any specific version of a BSCP because this means that as the BSCP is updated, the document supporting the Supply Licence Condition will be out of date and if we follow current practice of publishing only the latest version of each BSCP, it would be inaccessible. Alternatively if there were multiple versions in circulation this would undoubtedly cause confusion, so it would seem preferable to us to: either take the intent of the wording from the current BSCP and the BSC into the wording of the Licence Condition explicitly; or remove the references to a particular version of the BSCP, so that the latest version is always applicable in the Licence Condition. We are happy to discuss this further with you and assist where we can in helping you develop a robust solution.

In the longer term, we also observe that it is possible that BSC Parties may seek to discontinue the use of profiling. Indeed, pending BSC Modification P272 'Mandatory Settlement for Profile Classes 5 to 8' proposes that these Profile Classes be discontinued at some point in the future and customers

will be settled on a Half-Hourly basis. If there were ever a proposal that use of Profile Classes 3 and 4 be discontinued at some point, then Ofgem may consider it necessary that the Supply Licence definition of "Small Business Consumer" should also be reviewed at that time.

If you wish to discuss these issues further, or any of the proposed changes to Profile Classes, Measurement Classes or other changes identified by the work of the Profiling and Settlement Review that is being progressed by ELEXON, please do not hesitate to contact me on 020 7380 4115 or by email: kevin.spencer@elexon.co.uk

Yours sincerely



Kevin Spencer
Market Analyst