

Modification proposal:	Balancing and Settlement Code (BSC) P208: Housekeeping Modification(P208)		
Decision:	The Authority ¹ directs that this proposal be made ²		
Target audience:	National Grid Electricity Transmission Plc (NGET), Parties to the BSC and other interested parties		
Date of publication:	16 January 2007	Implementation Date:	22 February 2007

Background to the modification proposal

This modification proposal identifies a number (63) of non-material changes to the BSC. These changes consist of corrections to typographical errors, minor inconsistencies and other inconsequential changes. Modification proposal P208 represents a consolidated means of correcting these errors under one 'Housekeeping' proposal.

The modification proposal

Modification proposal 208 seeks to correct a number of non-material changes to the BSC. The proposer of this modification has raised this proposal on the grounds that it would better facilitate Applicable Objective D of the BSC.³

Specifically, the proposal seeks to amend;

- Manifest errors; corrections to inconsistencies which would otherwise risk incorrect interpretation.
- Corrections to inaccurate cross-references.
- Inaccurate Code-defined terms.
- The removal of redundant clauses.
- Typographical errors.
- Minor inconsistencies.

Such amendments should improve the clarity of the Code and reduce the risk of misinterpretation or misunderstanding by Parties.

BSC Panel⁴ recommendation

At the BSC panel meeting held on 14 December 2006, panel members voted unanimously to recommend implementation of modification proposal P208.

The Authority's decision

The Authority has considered the issues raised by the modification proposal and the Final Modification Report (FMR) dated 19 December 2006. The Authority has considered and

¹ The terms 'the Authority', 'Ofgem' and 'we' are used interchangeably in this document. Ofgem is the Office of the Gas and Electricity Markets Authority.

² This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

³ As set out in Standard Condition C3(3) of NGET's Transmission Licence, see:
<http://62.173.69.60/index.php?pk=folder132230>

⁴ The BSC Panel is established and constituted pursuant to and in accordance with Section B of the BSC.

taken into account the responses to Elexon's⁵ consultation which are attached to the FMR⁶. The Authority has concluded that:

1. implementation of the modification proposal will better facilitate the achievement of the relevant objectives of the BSC⁷; and
2. directing that the modification be made is consistent with the Authority's principal objective and statutory duties⁸.

Reasons for the Authority's decision

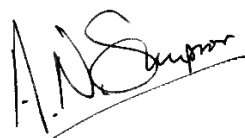
In reaching our decision we have considered the effect of the modification proposal against all of the Applicable Code Objectives. For the purposes of this proposal we agree with the proposer that Applicable Code Objective D is where this proposal will have the most significant impact.

The aim of this modification proposal is to improve the accuracy of the BSC. We consider that by improving its accuracy a commensurate increase in the transparency and efficiency of the BSC can reasonably be expected. The correction of errors should also reduce the risk of ambiguity and misinterpretation. This was a view largely echoed by respondents who support the proposal on the grounds that it will improve the clarity of the BSC.

We are also satisfied that this modification proposal is consistent with the Authority's principle objective and wider statutory duties.

Decision notice

In accordance with Standard Condition C3 of NGET's Transmission Licence, the Authority hereby directs that modification proposal BSC P208: '*Housekeeping modification*' be made.



Nick Simpson
Director, ECM Programme

Signed on behalf of the Authority and authorised for that purpose.

⁵ The role and powers, functions and responsibilities of Elexon are set out in Section C of the BSC.

⁶ BSC modification proposals, modification reports and representations can be viewed on the Elexon website at www.elexon.com

⁷ As set out in Standard Condition C3(3) of NGET's Transmission Licence, see: <http://62.173.69.60/index.php?pk=folder132230>

⁸ The Authority's statutory duties are wider than matters which the Panel must take into consideration and are detailed mainly in the Electricity Act 1989.