



## IPA ENERGY CONSULTING MONTHLY BRIEFING THE PACE OF CHANGE IN GREAT BRITAIN

This newsletter provides a brief update on the key electricity market design changes currently being progressed within Great Britain, focusing on August 2004.

The newsletter aims to assist electricity market participants who already have a 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 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

- Ofgem has published the documents comprising the new BETTA legal framework in preparation for go-active on 1 September. On 26 August, the Secretary of State determined the new BETTA licence conditions to come into effect on 1 September (although some will be switched off initially).
- DTI and the Scottish Executive have issued consultations on the terms of reference for the 2005/6 reviews of the Renewables Obligations.
- The Timescale for Ofgem's cashout review has been extended to focus on changes for winter 2006/7 but, in other respects, the proposed scope for electricity is little changed. This work is to be supported by a cross industry/cross code working group to be chaired and run by Ofgem, with technical support from NGT and ELEXON.
- NGT has published a consultation on its final proposals for the GB Transmission Charging Methodologies in which it favours the more cost reflective of its initial two options (Scenario B, the one that leads to the higher charge differentials). NGC is also proposing that, under this approach, the proportion of charges recovered from demand and generation should be revised to 90:10 to ensure that the resultant demand charges remain positive.
- It's been a busy month on the BSC Mods front with six decisions and five new modification proposals. Three of the new mods deal with proposals for tackling the potential impact of emergency instructions on imbalance prices in the wake of the large negative System Sell prices that resulted from emergency instructions to Damhead Creek on 19 May.

- On 23 August, Ocean Power Delivery announced that its Pelamis wave power system had been successfully installed and had completed its first week of delivering electricity to the UK Grid.

### Ofgem Issues and Consultations

#### Ofgem's three year strategy 2005 – 8

On 5 August, Sir John Mogg published an open letter inviting contributions to the development of Ofgem's next three year strategy. The timetable for the development and production of the next strategy is:

<b>August 04</b>	Invite comments
<b>October 04</b>	Deadline for comments
<b>Oct/Nov 04</b>	Drafting of Strategy for consideration by the Authority
<b>Jan 05</b>	Publication of draft corporate strategy and plan 2005-8
<b>March 05</b>	Deadline for responses and (also)
<b>March 05</b>	Publication of Strategy and Plan

The letter also notes that Ofgem's Audit Committee, aided by Chiene & Tait, will be responsible for determining and monitoring the new RPI -X regime that applies from 2005. The letter can be found at: [http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8142\\_initialconsultationletterComms.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8142_initialconsultationletterComms.pdf)

#### Renewables Obligation - Atlantic Electric and Gas Limited and Maverick Energy Limited

On 6 August, Ofgem issued a press release on the shortfall in the Renewables Obligation buy out fund for the second and third obligation periods (2003/4 and 2004/5) if no ROCs are presented and no payments made following Atlantic and Maverick going into receivership. The receiver, KPMG, has indicated that they do not expect there to be sufficient funds available to enable either Atlantic or Maverick to meet their obligations.

The press releases states that, following discussion with the receiver, KPMG, and on the basis of its latest information, the shortfalls for Atlantic under these circumstances are estimated to be in the region



of £8.3 million and £145,000 (in England & Wales and Scotland respectively) for the second obligation period and £665,700 and £13,500 for the third obligation period. The shortfalls for Maverick are estimated to be in the region of £628,110 and £16,000 for England & Wales/Scotland respectively in the second obligation period.

The press release can be found at: [http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8179\\_r5804\\_6august.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8179_r5804_6august.pdf)

### Competition Legislation Competition Act 1998 Application in the Energy Sector

On 11 August, Ofgem published proposed revisions to its guidelines on the application of the Competition Act 1998 in the energy sector. Comments are invited by **5:00pm 17 September 2004**. The document can be found at: [http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8088\\_18804energy\\_guidelines\\_aug2004.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8088_18804energy_guidelines_aug2004.pdf)

### Transmission Investment for Renewable Generation: Initial Proposals

On 12 August, Ofgem published a consultation on its Initial Proposals for incentive arrangements for investment in transmission to support renewable generation during the period before the next transmission price controls come into effect (1 April 2007). The consultation is accompanied by a consultant's report which considered forecasts of renewables connections, the trade offs between reinforcements and constraint costs, the risk of stranded assets and licensees' cost estimates.

The main elements of the initial proposals are:

**Baseline investment:** full funding, via a revenue allowance, for projects that can be justified by reference to the forecast saving in constraint costs (Beaulieu-Deny & Sloy reinforcements are identified in this category). Measures would be included to ensure licensees do not benefit from planning etc. delays and are incentivised to complete works as soon as practicable. There would also be some form of output related measure to determine whether the full investment costs should be included in the regulatory asset base after 5/10 years;

**Incremental investment:** funding of initial development and pre-construction costs for projects where there is uncertainty as to whether the project should go ahead but there is advantage in carrying out the pre-construction work (the England-Scotland upgrade and North East ring); and

**Additional Investment:** projects where the forecast savings in constraint costs are less than 50% of the forecast investment costs. For these projects transmission licensees are offered three options: come back later; a revenue driver; and/or the development of long term commercial arrangements with the generator(s) that would gain access following the investment. Under this sort of arrangement the generator would obtain long term access rights in return for a long term charging commitment.

Within the document Ofgem notes that it will take matters relating to charging forward through the BETTA Project, Code Modifications and the next full reviews of the transmission price controls. Noting that the following considerations remain important:

- "cost reflective pricing
- the advantages of simplicity and transparency in charging arrangements
- the ability for system users to signal their future network requirements
- exploring the scope for long and shorter-term access rights and appropriate charges to reflect the range of products available
- assessing the merits of firm and non-firm access rights
- the tradability of access rights
- the appropriate cost recovery mechanisms for network investment, and
- the appropriate charging for distribution system embedded generation."

Final proposals are planned for November with licence modifications taking effect in January 2005. Work on the main transmission price controls is scheduled to start in 2005.

The consultation can be found at:

[http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8267\\_19604\\_tirg\\_ip.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8267_19604_tirg_ip.pdf)

### Gas and electricity cash out review: the way forward

On 18 August, Steve Smith published an open letter setting out a revised process for taking forward work on the review of cash out prices. In line with many consultation responses, Ofgem is now proposing to extend the timetable for review and allow for fuller consideration and analysis of the issues. Ofgem is also proposing to establish a forum, which it will Chair and provide the secretariat for, to consider cashout issues under all the various Codes for both gas and electricity. NGC and ELEXON have agreed to provide analytical support.



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The letter also sets out the objectives which the cash out arrangements should be designed to meet.

The two main objectives are:

- “to provide appropriate commercial incentives for market participants to balance their own positions and therefore deliver security of supply; and
- to reflect the costs incurred by the relevant System Operator when undertaking energy balancing actions as residual balancer and therefore provide appropriate signals to market participants as to the costs of supplying balancing energy in the relevant balancing period”.

Ofgem also identify three secondary objectives:

- “not being easily open to manipulation or gaming;
- transparency; and
- prompt (or real time) reporting of prices”.

The letter states that, on the basis of its own analysis and that provided to it, Ofgem considers that there is no indication that the current arrangements don't meet these objectives.

Terms of reference for the proposed working group, which is to meet every two to three weeks for three to four months, are also attached to the letter. The issues originally ruled out of scope (such as single prices and ex post trading) remain out of scope although there appears to be opportunity for the group to reconsider the scope at its first meeting. The issues in scope are also the same as those that were originally identified, with the addition of pricing in emergency circumstances, but the target date for implementation of any changes is moved back to “ahead of winter 2006/07”. Ofgem is planning to conclude the review with the publication of a report in January 2005.

The letter can be found at: [http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8406\\_cash\\_out\\_rev\\_letter.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8406_cash_out_rev_letter.pdf)

### **Connection and Use of System Code Proposed Amendment CAP047: “Introduction of a competitive process for the provision of mandatory frequency response” Impact assessment**

On 20 August, Ofgem published an impact assessment on the proposals developed under CAP047 to introduce a competitive market for the provision of mandatory frequency response.

Ofgem's initial conclusion in the impact assessment is that, on balance, the benefits of “Alternative Amendment A” would outweigh the costs. This alternative is based on the original proposal under which generators would be free to submit holding prices on a monthly basis for each of the mandatory frequency response services, except that NGC would not be required to publish further requirements about the service.

Comments are invited by **17 September**; Ofgem is planning to issue a decision on CAP 047 by 1 October. The consultation can be found at: [http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8441\\_cap047ia\\_final.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8441_cap047ia_final.pdf)

## **BETTA**

### **The BETTA Legal Framework Final drafts of the licences, changes to the legal text of the BSC and the CUSC, and the versions of the Grid Code and the System Operator-Transmission Owner Code (STC) Determination of new standard conditions in relation to electricity licences**

The Ofgem/DTI BETTA publishing house went into overdrive this month with the publication, (on 16 August) of the drafts of the licences/licence changes, the legal text of the various GB Codes, including the new STC, and their Framework Agreements expected to be designated on 1 September. Various conclusions documents have also been published (although somewhat confusingly some appear to have been published after the proposed designation text) and a (short!) paper explaining the licensing scheme that is to be used to convert the existing transmission licence under BETTA.

This was followed, on 26 August, by the Secretary of State exercising her powers to determine the new standard conditions for electricity transmission licence to come into effect on 1 September (the document was put on the DTI website on 31 August).

We also understand that all the other licence changes which are due to come into effect on 1 September were also designated on 26 August.

The documents (and consultation conclusions) have been placed in two new sections of the Ofgem website:



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- BETTA (Proposed designation text - <http://www.ofgem.gov.uk/ofgem/work/index.jsp?section=/areasofwork/betta00>); and
- BETTA (Associated designation publications - <http://www.ofgem.gov.uk/ofgem/work/index.jsp?section=/areasofwork/betta01>).

The DTI statement on the determination of the new licence conditions can be found at: [http://www.dti.gov.uk/energy/domestic\\_markets/electricity\\_trading/std\\_cond\\_trans.pdf](http://www.dti.gov.uk/energy/domestic_markets/electricity_trading/std_cond_trans.pdf)

### **Ofgem/DTI conclusions and publication of near final legal text of the GB Grid Code and conclusions on change management between the STC and the GB BSC, GB CUSC and GB Grid Code**

On 3 August, Ofgem/DTI published the concluding document in the series of consultations on the GB Grid Code (and the change management issues between the key documents), but excluding the transitional arrangements. The document is in two parts: Volume 1 sets out Ofgem/DTI's conclusions and the timetable for finalising the text of the GB Grid Code; Volume 2 contains the proposed GB Grid Code. Ofgem/DTI note that the policy proposals set out in the earlier consultations are unchanged so there are no significant changes to the drafting. The document also indicates that a further version, the designation document, that will include the provisions for the transitional period is due to be published "shortly" (see above).

The two volumes can be found at: [http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8102\\_grid\\_code\\_betta04.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8102_grid_code_betta04.pdf) and [http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8104\\_grid\\_code\\_betta04b.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8104_grid_code_betta04b.pdf)

### **BETTA: GB Transmission Charging Process**

On 5 August, David Haldearn (Ofgem's Director of Scotland and Europe) wrote an open letter to National Grid's Commercial Director setting out Ofgem's proposed process for approving the GB Charging Methodologies under BETTA.

The letter indicates that the next step is for NGC to publish its final proposals for comment (see below, published on 20 August) and then (having incorporated respondents' views) submit them to Ofgem for approval.

The letter also indicates that Ofgem intends to publish an Impact Assessment (IA) on the proposals which will also be consulted on and that comments will feed into the decision on whether to approve the methodology. However, the original timetable for finalising the charging methodologies had not anticipated the need for an IA and so has been revised as follows:

1. NGC publish final proposals for consultation by mid August (what happened);
2. NGC submits proposals to Ofgem mid September;
3. Ofgem publishes IA mid September for 28 day consultation; and
4. Authority decision late November (although this would slip if responses mean that further consideration is necessary).

The letter notes that the normal 28 days period for Ofgem to approve proposed changes to NGC's charging methodologies does not apply in this instance. NGC's view is sought on these proposals. The letter can be found at: [http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8149\\_chris Murray transmission charging process04.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsatta/ch/8149_chris Murray transmission charging process04.pdf)

### **Consultation on a Proposed Transitional Modification to the GB BSC and the creation of a new Transitional Code Subsidiary Document to facilitate BETTA Testing**

On 19 August (after 5:00pm), ELEXON issued a consultation on the obligations on Parties to participate in testing with ELEXON during the Transition Period. This sets out ELEXON's proposals for changes to the BSC to deal with testing that it is required to develop under the new Section I of the BSC (as published on 16 August). Participants were given one week, until **17:00 Thursday 26 August 2004**, to comment.

The consultation can be found at: [http://www.elexon.co.uk/documents/Consultations/Consultation\\_on\\_a\\_Proposed\\_Transitional\\_Modification\\_to\\_the\\_BSC\\_for\\_BETTA\\_Testing/BETTA\\_Consultation\\_on\\_testing\\_v1.0.pdf#xml=http://www.elexon.co.uk/scripts/texis.exe/Webinator/search/xml.txt](http://www.elexon.co.uk/documents/Consultations/Consultation_on_a_Proposed_Transitional_Modification_to_the_BSC_for_BETTA_Testing/BETTA_Consultation_on_testing_v1.0.pdf#xml=http://www.elexon.co.uk/scripts/texis.exe/Webinator/search/xml.txt)

### **GB Transmission Charging: Final Methodologies Consultation**

On 20 August, NGT issued a consultation on its "final methodologies" for determining GB Use of System charges.

Comments are requested by **17 September**. A final conclusions proposals report will be submitted to Ofgem at the end of September which will be followed by an Ofgem Impact Assessment in October. These two dates are both later than the “mid Sept” suggested in the Ofgem 5 August open letter – however the two timetables come back together with “November” for an Authority decision.

The suggested approach set out in the “final methodologies” is largely unchanged from the initial methodologies that were issued in April with three main exceptions.

**Scenario B preferred** - NGT had put forward two possible approaches described as Scenarios A & B (described, respectively, as better for competition and more cost reflective) and sought Ofgem’s views on which approach it considered preferable. However, Ofgem has indicated that it would be inappropriate for it to give a view. NGT has therefore given its view that Scenario B, which it considers more cost reflective, is preferable and is proposing to recommend this option to Ofgem. However NGT notes that if the Authority does not approve this approach on the grounds that it does not facilitate competition, then it would put forward Scenario A.

**Demand: Generation Split -> 90:10** - In its Initial Methodologies NGT had proposed that the proportion of charges recovered from demand and generation should be changed to 80:20 to ensure that the resultant demand charges remain positive. However, having modeled the possible outcome of this scenario further into the future it has concluded the split should be further revised to 90:10 to reduce the prospect of further changes in the future. This is likely to be the main cause of the reduction in the “residual” element of the generation charge from £2.48/kW under the original Scenario B to £1.26/kW and the broadly corresponding (£1.70/kW) increase in the demand residual charge. It also has the effect of reducing the Ofgem interim subsidy to Scottish 132kV connected generation to £1.26/kW from the anticipated £2.48/kW under the original Scenario B (although the generation charges would be reduced by roughly the same amount as the reduction in the subsidy).

**Change in Zones** – There have been some changes to the zonal boundaries. The number of zones under Scenario A has reduced from 20 to 16 and under Scenario B from 23 to 21.

In addition to these changes in approach there have also been a number of relatively minor changes to the calculation of the expansion coefficient. The input data has also been refined in the light of better information. However, the report stresses that the resultant tariffs remain indicative.

The **indicative** tariffs from the Final Methodologies are set out below together with the original values from the April Initial Methodologies consultation for the residual charges and the extremes of the range for generation and all values for demand. These tariffs do not include the possible impact of a DTI subsidy for peripheral renewable generation, the Hydro Benefit subsidy, or Ofgem’s proposed interim subsidy for 132kV transmission connected generation.

#### Scenario A – NOT preferred

“residual charge”

gen: Initial Meth = £3.41/kW; **Final Meth = £3.44/kW**

dem: Initial Meth = £11.73; **Final Meth = £11.75/kW**

	Scenario A Generation Zone	£/kW	
		Initial Method	Final Method
1	Pet’hd & N Highland	16.53	<b>16.68</b>
2	Skye & W Highland		<b>15.94</b>
3	Central Highlands		<b>13.00</b>
4	Central Belt		<b>11.94</b>
5	Borders & N England		<b>8.67</b>
6	L, Pennines & H		<b>5.33</b>
7	N.Wales & N.Mids		<b>3.82</b>
8	Anglesey		<b>6.63</b>
9	Dinowig		<b>9.21</b>
10	Mid Wales & W. Ms		<b>1.52</b>
11	E Mids & Anglia		<b>2.40</b>
12	S. East & Estuary		<b>0.44</b>
13	Central London		<b>-5.73</b>
14	S.Wales & S. Coast		<b>-2.53</b>
15	Wessex		<b>-5.02</b>
16	Peninsular	-7.91 (Zone 20)	<b>-7.70</b>



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<b>Scenario A</b>		£/kW	£/kW	<b>Scenario B</b>		£/kW	£/kW
<b>Demand Zone</b>		Initial	Final	<b>Demand Zone</b>		Initial	Final
		Method	Method			Method	Method
1	Northern Scotland	1.27	1.09	1	Northern Scotland	0.07	1.71
2	Southern Scotland	4.45	4.40	2	Southern Scotland	5.44	7.28
3	Northern	7.69	7.78	3	Northern	9.26	11.31
4	North West	11.44	11.46	4	North West	12.88	14.81
5	Yorkshire	11.61	11.36	5	Yorkshire	13.01	14.67
6	N Wales & Mersey	11.95	11.43	6	N Wales & Mersey	13.46	14.84
7	East Midlands	13.84	13.73	7	East Midlands	15.33	17.16
8	Midlands	15.55	15.24	8	Midlands	17.13	18.70
9	Eastern	14.25	14.46	9	Eastern	15.55	17.67
10	South Wales	19.32	18.80	10	South Wales	20.62	22.01
11	South East	17.27	17.13	11	South East	18.66	20.43
12	London	19.67	19.31	12	London	21.07	22.65
13	Southern	18.73	18.41	13	Southern	20.15	21.74
14	South Western	21.16	20.90	14	South Western	22.68	24.32

#### Scenario B - PREFERRED

“residual charge”

gen: Initial Meth = £2.48/kW; **Final Meth = £1.26/kW**

dem: Initial Meth = £12.65/kW; **Final Meth = £14.34/kW**

<b>Scenario B</b>		£/kW	£/kW
<b>Generation Zone</b>		Initial	Final
		Method	Method
1	Peterhead		17.96
2	N Highland	21.72	20.54
3	W Highland		18.01
4	Skye & Quoich		16.30
5	Cent High & Angus		13.57
6	Argyll & Bute		11.77
7	S.W.Scotland		8.98
8	S.E.Scotland		10.25
9	N England		5.79
10	L, Pennines & H		2.56
11	N Wales & N Mids		0.67
12	Anglesey		3.72
13	Dinowig		6.30
14	Mid W, Mids & SE		-1.68
15	North London		-2.75
16	Central London		-8.72
17	Oxon & S. Coast		-3.71
18	S.Wales & Glos		-6.30
19	Wessex		-7.08
20	Peninsular	-9.33	10.60
		(Zone 23)	
21	South West Wales		-4.75

The consultation can be found at:  
[http://www.nationalgridinfo.co.uk/betta/gb\\_consultations.html](http://www.nationalgridinfo.co.uk/betta/gb_consultations.html)

#### The initial allocation of GB transmission system access rights under BETTA An Ofgem/DTI conclusions document

On 26 August, Ofgem/DTI issued their conclusions on their proposed approach for allocating initial access rights under BETTA. The broad approach that was proposed in July is unchanged. However, there are a number of drafting changes to the proposed licence conditions, including clarification of background assumptions when making offers and interactions between timings of offers and applications. These changes are shown change marked against the text proposed in July. This revised text was included in the pre designation text published on 16 August.

The document can be found at:  
<http://www.ofgem.gov.uk/ofgem/work/index.jsp?section=/areasofwork/betta01>

#### GB Consultations

**CAP071:** on 6 August Ofgem/DTI issued a GB Consultation for the Connection and Use of System Code (CUSC) Amendment Proposal **CAP071** (Development of a Maximum Generation Service) and the consequential revisions being proposed to the Grid Code, Balancing Principles Statement (BPS), Procurement Guidelines (PGs) and the Applicable Balancing Services Volume Data (ABSVD) Methodology Statement. The deadline for response was **5:00 pm on Friday 20 August**

**Change to the Small Scale Third Party Generation Limit (SSTPGL) introduced by P81:** on 9 August, Ofgem/DTI issued a GB consultation on whether the BSC Panel's proposal to raise the limit for SSTPGL should be included in the GB BSC. The deadline for comments is **5pm 6 September**.

**Grid Code Change Proposal G/04 (Proposed changes to Operating Codes OC1 and OC2):** on 12 August Ofgem/DTI issued a GB consultation on change proposal G/04. The deadline for comments was: **5pm on 26 August 2004**.

**CAP047- (Introduction of a competitive process for the provision of Mandatory Frequency Response):** on 20 August, Ofgem issued a second GB Consultation for CAP047. The deadline for comments is **17 September 2004**.

### **Approved Changes for inclusion in GB documents**

On 2 August, Ofgem/DTI proposed that approved BSC Modifications **P160** (Removal of the Anomalous Effect of the Error Correction Payment (ECP) for Multiple Claims affecting the same Settlement Period and Energy Account) and **P166** (removal of unintentional effects of P123 to allow Supplier BM Unit DC values to be revised downwards during a BSC season) should be incorporated in the GB BSC unchanged. Comments were requested by **9 August**. The consultation letter can be found at: [http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8082\\_cons\\_inc\\_appr\\_mods\\_gbbsec.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8082_cons_inc_appr_mods_gbbsec.pdf)

### **Government Bodies & Other Bodies**

#### **DTI**

#### **Hewitt announces £50 million boost to wave and tidal energy - biggest ever award to harness sea power for the UK**

On 2 August, Patricia Hewitt announced the availability of £50M Marine Research Development Fund for wave and tidal energy. The press release can be found at: <http://www.gnn.gov.uk/environment/detail.asp?ReleaseID=125300&NewsAreaID=2&NavigatedFromDepartment=False>

### **The Energy Act 2004 (Commencement No. 1) Order 2004 Atomic Energy and Radioactive Substances**

On 27 July the Commencement Order giving effect to a number of the provisions in Part 1 of the Energy Act, which covers the Civil Nuclear Industry, came into effect.

The Order can be found at:

<http://www.hmsso.gov.uk/si/si2004/20041973.htm>

### **Terms of Reference for the 2005-6 Review of the Renewables Obligation (and the Renewables Obligation (Scotland))**

On 3 August, the DTI issued a consultation on the proposed Terms of Reference for the 2005 – 6 review of the Renewables Obligation (RO) that will start this year and conclude at the end of December 2005. The deadline for comments is **30 September**.

The consultation paper stresses the Government's commitment to the review and the importance of maintaining investor confidence in it. The scope of the review is to improve its effectiveness/efficiency and to reduce costs to customers of meeting the renewables obligation and not an opportunity to revise the basic principles. This is reflected in the criteria the DTI will use in assessing the case for amendments. The terms of reference specify both what is in scope and what is out of scope.

The following issues are **out** of scope:

- “replacing the Obligation with an alternative mechanism for renewables support such as a feed-in tariff or other form of fixed price mechanism.
- amending the basic operating principles of the Obligation. The Obligation will remain on electricity suppliers. Compliance will continue to be demonstrated by the presentation of ROCs or by paying the buy-out price or by a combination of these means. The buy out fund will continue to be recycled in proportion to the presentation of ROCs.
- any reduction in the buy-out price or removal of its link to the Retail Price Index.
- any change in the announced level of the Obligation for each of the years to 2015/16, nor any reduction from the figure of 15.4% in 2015/16 in the years 2016 – 2027.
- any reduction in the duration of the Obligation.



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- bringing forward proposals which would remove ROC eligibility from any operating projects currently receiving ROCs.
- any changes to the dates and limits in the revised co-firing rules announced in December 2003.
- proposals for supporting renewable heat, which the Government will consider separately but on a similar timescale, including the proposals in the Royal Commission on Environmental Pollution's report (June 2004) on Biomass as a Renewable Energy Source."

The areas to be covered by the review are:

- i. "The effectiveness of the Obligation to date, including the progress in the development of renewable sources of generation and the contribution of the Obligation to that development.
- ii. Whether further decisions on the level of the Obligation post 2015/16 are necessary at this time, and if so, what the level of the Obligation should be for years beyond 2015/16.
- iii. All aspects of the working arrangements of the Obligation.
- iv. The transition to market of renewable technologies over time, either from the impact of carbon pricing, falls in technology costs or other factors. The Review will also consider at what stage the impact of the EU Emissions Trading scheme on carbon pricing is likely to be sufficiently well established in the market to allow the Government to make firm decisions in this area.
- v. The case for amending ROC eligibility rules regarding electricity generated from mixed wastes in ways which are consistent with the goals of supporting technological developments in waste management which offer environmental benefits and which meet the Government's requirements of increasing recycling and reducing the volume of waste sent to landfill.
- vi. The position of CHP in relation to the renewables obligation – in particular whether there is a case for reducing the size of the Obligation on suppliers by the amount of CHP generated electricity they have purchased before application of the obligation percentage.
- vii. Other more detailed technical or definitional issues not already covered by previous consultations."

The consultation indicates that work on the review will start in the next few months and continue through 2005. The intention is for the review to be complete by December 2005 so that proposed changes can be put to Parliament and any changes to the legislation implemented by 1 April 2006.

In addition, there is to be a statutory consultation in the near future which will include changes to implement:

- the increased level of the obligation between 2010/11 and 2015/16;
- merger of the buy out funds (or measures to address issues between funds);
- the RO in Northern Ireland; and
- measures to address potential shortfalls in the buy out fund.

This consultation is also understood to include changes to make the annual application for ROCs for generators of 50kW or less optional rather than mandatory, although this is not referred to in the consultation.

### Terms of Reference for the 2005-06 Review of the Renewables Obligation (Scotland)

On the same day, the Scottish Executive announced a consultation on the terms of reference for the review of the Scottish RO. The scope, terms of reference, timetable, etc. are identical in both cases. The Scottish Executive also notes that it will work closely with the Northern Ireland authorities to ensure consistency of approach and tradability of certificates in relation to the forthcoming Northern Ireland Renewables Obligation which is due to commence in April 2005. The cover letter also notes that "In taking forward the ROS Review, the Executive will have particular regard to recent reports by the Scottish Parliament's Enterprise and Culture Committee and the Forum for Renewable Energy Development in Scotland and the need to promote a mix of renewable energy technologies."

The DTI's consultation can be found at: [http://www.dti.gov.uk/energy/renewables/policy/terms\\_of\\_reference.shtml](http://www.dti.gov.uk/energy/renewables/policy/terms_of_reference.shtml)

And the Scottish Executive's consultation at: <http://www.scotland.gov.uk/about/ELLD/EN-CS/00017058/page1866457688.aspx>

### Relaying the Common Tariff Obligation – Draft Electricity Act 1989 (Uniform Prices in the North of Scotland) Order 2004

On 4 August, the DTI issued a consultation on a new Electricity Order (to be made under Section 7B of the amended Electricity Act) that will prevent suppliers offering different prices to the customers they supply within the North of Scotland solely on the basis of their geographical location. The draft order also requires holders of distribution network operator and transmission licences to ensure that their use of system charges for suppliers

“are the same for all suppliers supplying electricity to premises anywhere within that area”. This appears to prevent different charges applying to customers connected at different distribution voltages as well as to customers in different locations. However, it does not seem to prevent different distribution network operators setting different charges.

There is no restriction on generator use of system charges.

The draft order is being produced to fill the unintended void created when the Utilities Act was passed and the previous order revoked but not replaced (although the licence obligation on suppliers to comply with the order continued). The consultation indicates that this order will be reviewed in three years time at the same time as the department reviews the Hydrobenefit Policy.

The deadline for comments is **4 November 2004**. The consultation can be found at: <http://www.dti.gov.uk/energy/consultations/cto.pdf>

#### **Carbon Abatement Technology Strategy - Consultation Document**

On 6 August, DTI published a consultation document on the development of a Carbon abatement strategy. Comments are requested by **29 October 2004**.

The consultation can be found at: <http://www.dti.gov.uk/energy/coal/cfft/apgtrreport.shtml>

#### **Analysis of EU Member States' National Allocation Plans for the EU Emissions Trading Scheme Published**

On 19 August, DTI issued a press release summarising the main conclusions of an interim report, funded by DEFRA and the DTI, analysing member states' NAPs. The press release indicates that the main conclusions echo previous concerns of DTI and Defra and reiterate a call for the EC to be more transparent about how it has assessed the NAPs.

A copy of the report in full is available at: <http://www.dti.gov.uk/energy/sepn/euets.shtml>

#### **Implementation of Article 23 (5) and (6) of Directive 2003/54/EC on the internal market in electricity (the Electricity Directive) and of Article 25 (5) and (6) of Directive 2003/55/EC on the internal market in gas (the Gas Directive).**

On 18 August, the DTI issued a consultation on the GB requirements for compliance in respect of provisions within EU gas & electricity Directives that deal with Ofgem's duty to act as a dispute settlement body and to have a complaints/consultation mechanism in place for its decisions in some areas with disputes handled in a pre determined timeframe. Responses are requested by **27 September**.

The main changes being proposed, which would be implemented via regulations under the European Communities Act, include:

- a duty on Ofgem to deal with disputes within a specified timeframe for electricity distribution & transmission companies and gas transporters (in line with the requirements of the directives) – except where specific dispute provisions already exist;
- new provisions in the Electricity & Gas Acts to prevent disputes being considered under two procedures; and
- a new licence condition for electricity distribution & transmission companies and gas transporters requiring them to take such action as is necessary to give effect to any resulting decisions (which may include raising Code Modifications).

The consultation can be found at: [http://www.dti.gov.uk/energy/consultations/internal\\_markets\\_in\\_electricity\\_and\\_gas.pdf](http://www.dti.gov.uk/energy/consultations/internal_markets_in_electricity_and_gas.pdf)

#### **Consultation on guidance to power station developers**

On 25 August DTI/DEFRA issued a joint consultation on revised guidance to power station developers on the policy of requiring developers of new oil or gas fired power stations of more than 10MWs, who are seeking consent/clearance under the Electricity and Energy Acts, to explore the possibility of installing CHP technology. Responses are requested by **24 November**, revised guidance will be published by 5 January 2005.

The consultation can be found at: [http://www.dti.gov.uk/energy/consultations/power\\_station\\_final.pdf](http://www.dti.gov.uk/energy/consultations/power_station_final.pdf)



IPA Energy Consulting

## Scottish Executive

### Offshore wind power enters new era

On 26 August, the Scottish Executive issued a news release stating that “the world's largest offshore wind farm in deeper waters is now a step closer, thanks to £6 million of public funding to support the Scottish based consortium.” The Scottish government and the DTI are each contributing £3M to the Talisman/Scottish and Southern Energy project, which will install two of the world's largest turbines to test the technical and economic feasibility of deepwater wind farms distant from shore.

The news release can be found at:

<http://www.scotland.gov.uk/News/Releases/2004/08/26174407>

## The Office of the Deputy Prime Minister

### Planning a vital role for renewable energy in sustainable communities

On 9 August, the ODPM published Planning Policy Statement 22 (PPS22): Renewable Energy, which sets out the Government's planning policies in respect of the development of renewable energy resources in England.

The press release accompanying publication can be found at:

<http://www.gnm.gov.uk/Content/Detail.asp?ReleaseID=125968&NewsAreaID=2>

The Planning Policy Statement can be found at: [http://www.odpm.gov.uk/stellent/groups/odpm\\_planning/documents/downloadable/odpm\\_plan\\_030335.pdf](http://www.odpm.gov.uk/stellent/groups/odpm_planning/documents/downloadable/odpm_plan_030335.pdf)

## Environmental Audit Committee

### Tenth Report of Session 2003-04: Budget 2004 and Energy

On 11 August, the House of Commons Environmental Audit Committee published a critical report on the review of environmental issues relating to the December 2003 Pre-Budget Report, and the recent measures announced in March 2004 in the Budget. The accompanying press release states, amongst other things that: “The Government's Climate Change Strategy is seriously off course; and current policies have yet to make a significant impact on UK carbon emissions”.

The press release can be found at: [http://www.parliament.uk/parliamentary\\_committees/environmental\\_audit\\_committee/eac11\\_08\\_04.cfm](http://www.parliament.uk/parliamentary_committees/environmental_audit_committee/eac11_08_04.cfm) and the report at:

<http://www.publications.parliament.uk/pa/cm/cmenvaud.htm#reports>

## The BSC and CUSC

### BSC Modifications and Issues

#### Authority Decisions

On 4 August the Authority published its decision on three Modification proposals: P154; P158 and P163.

- **P154** - Rectification of Inconsistencies in the Application of BSC Change Management Processes. The Authority agreed with the recommendation of the BSC Panel and APPROVED Modification, for implementation on 11 August 2004. The Modification clarifies the change management procedures that apply to BSC Code Subsidiary Documents.
- **P158** - Introducing the Ability to Lodge a consolidated Letter of Credit. The Authority agreed with the recommendation of the BSC Panel and REJECTED this Modification. The Modification had sought to allow a group of affiliated companies to lodge a single consolidated letter of credit.
- **P163** - Clarification of the circumstances in which paragraph 6.5 of Section P (calculation of Error Correction Payment) should apply. The Authority REJECTED P163 because it considered the modification to be redundant following its approval of an alternative to P160, last month, which addressed similar issues.
- **P159** - Extending the scope of e-mail communications under the Code. On 17 August 2004, in line with the recommendation of the BSC Panel, the Authority APPROVED this Modification for implementation on 23 February 2005. The Modification will change the BSC to allow any communications under the BSC, or Code Subsidiary Documents, to be sent via email unless the Code states otherwise.
- **P146** - New Participation Category to the BSC - Clearing House. Also on 17 August and in line with the BSC Panel's recommendation, the Authority REJECTED P146.
- **P138** - Contingency arrangements in relation to implementation of Demand Control measures pursuant to Grid Code OC6. On 19 August, in line with the recommendation of the BSC Panel, the Authority REJECTED P138.



## New Modifications

**P170:** Amendments to the Balancing and Settlement Code (Code), and to the systems and processes that support it, to allow compliance with the changed application of VAT to Trading Charges. This Modification, which was raised by ELEXON on behalf of the BSC Panel on 12 August, has been raised to enable the BSC arrangements to comply with changes in EU tax legislation that affects VAT arrangements on Trading Charges. The Authority has **NOT** accepted the Panel Chairman's request (supported by the BSC Panel) that the Modification should be treated as Urgent.

On 25 August three Modification proposals were raised, two by Centrica and one by NGT. All three deal with the treatment of Emergency Instructions in the calculation of imbalance prices in the light of the impact of an Emergency Instruction to Damhead Creek on 19 May which (after a dispute) resulted in its Bid of -£9,999 being treated as a Bid Offer Acceptance which then fed into the calculation of the System Sell Price for the affected periods. The Proposers requested that all three be treated as Urgent. However, on 26 August, ELEXON indicated that it was discussing its initial conclusion, that the proposals should NOT be treated as Urgent, with the Proposers.

**P171:** Retrospective removal of Emergency Instructions taken for System reasons from Imbalance Price (raised by Centrica). This Modification seeks to introduce new provisions in the BSC that would require NGC to "tag" any Bid Offer Acceptances (BOAs) that are created following an Emergency Instruction as "system costs" and so ensure that they are excluded from the calculation of Imbalance Prices. The Modification also recommends that this change is given **retrospective** effect so that the BOAs relating to Emergency Instructions to Damhead Creek on 19 May would be excluded from the imbalance prices for Settlement Periods 27 and 28 on that day.

**P172:** Removal of Emergency Instructions taken for System reasons from Imbalance Price (raised by Centrica). This Modification is essentially the same as P171, but is not retrospective in effect.

**P173:** Revised Settlement Arrangements for Emergency Instructions (raised by NGT). The NGT proposal is NOT retrospective and takes a different approach to that proposed by Centrica. P173 proposes that, where a "relevant emergency instruction" is issued the BSC Panel will determine the avoidable

costs which will then be used to construct an "Emergency Instruction Bid Offer Price" that will be used to set the cost of the Emergency Instruction BOA.

**P174:** Provision for Users of an Interconnector with a single Boundary Point connection to form a Trading Unit amongst themselves and with other BM Units at the same site. This Modification, raised by EDF Trading Limited, seeks to allow Interconnector Users to form a Trading Unit. However, unlike Modification P139 that had sought a similar change but was rejected, this Modification limits the ability to form Trading Units to BM Units at a single boundary point.

Further information on Modifications to the BSC can be found at:

<http://www.elexon.co.uk/ta/modifications/modifications.html>

## BSC Parties – joiners and leavers

Two Parties withdrew from the BSC in August on 31 August: **Societe Generale Energie SA**; and **Dynegy UK Limited**.

## BSC Miscellaneous

### First Meeting of GB BSC Panel

Subject to all the necessary BETTA changes being made (confirmation that the relevant documentation has been designated for GB purposes on 1 September and that the notice of the appointment of members of the BSC Panel is sent on that day), the first meeting of the GB BSC Panel is planned for 2 September 2004.

### ELEXON's Business Ethics Policy

ELEXON has developed a Business Ethics Policy, which can be found at:

[http://www.elexon.co.uk/documents/Publications/Corporate\\_and\\_Financial\\_-\\_Annual\\_BSC\\_Report/ethics\\_policy.pdf](http://www.elexon.co.uk/documents/Publications/Corporate_and_Financial_-_Annual_BSC_Report/ethics_policy.pdf)

### Consolidated Balancing and Settlement Code

ELEXON has produced two consolidated versions of the BSC: the 'Consolidated BSC – Operational' collates all sections of the operational BSC and a 'Consolidated BSC – Legal' version is also available for download. The operational version allows searching across the entire document.



## IPA ENERGY CONSULTING MONTHLY BRIEFING THE PACE OF CHANGE IN GREAT BRITAIN

The legal version contains the change-marked text of all Approved Modification Proposals awaiting implementation.

Both documents are provided for reference only, and if there is a conflict between the documents the provisions of the (normal) BSC (published by individual section version) will prevail.

### CUSC Amendments

There is one new amendment proposal this month: **CAP 076** - Treatment of System to Generator Intertripping Schemes, which was raised by NGC. The CAP seeks to treat intertripping schemes as ancillary services within the CUSC and proposes defining four different categories of system to generator intertripping scheme, with differing levels of compensation. Schemes used to resolve general system issues would not fall within these four categories and would be treated as a commercial service.

### CUSC GB Panel elections

Following the elections for the 2004 GB CUSC Amendments Panel the following members were elected:

- John David Lane
- Malcolm Taylor
- Paul Jones
- Simon Goldring
- Rupert Judson
- Robert Brown
- Steve Drummond

The Alternate Members will be:

- Steve Phillips
- Dick Cecil
- Russell Reading

### NGC Consultations/Documents

#### NGC's Transparency Review: Final Report

On 17 August, NGC published its final report on its review of the transparency of information that it makes available in respect of its activities as System Operator. The report provides details of the review, the changes that have resulted from it, and the enduring transparency principles that have been developed.

The report can be found at:  
[http://www.nationalgrid.com/uk/indinfo/balancing/pdfs/Transparency\\_Review\\_Final\\_Report\\_published160804.pdf](http://www.nationalgrid.com/uk/indinfo/balancing/pdfs/Transparency_Review_Final_Report_published160804.pdf)

### 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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## August Consultation Summary

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.

CARRIED FORWARD FROM THE LAST EDITION.....		Issued	Response Due
DTI	<b>Transmission Charging and the GB Wholesale Market DTI Conclusions on Part 2: Transmission charging, in the context of the Government's policy objectives for growth in renewables</b> <a href="http://www.dti.gov.uk/energy/domestic_markets/electricity_trading/trans_charging2.pdf">http://www.dti.gov.uk/energy/domestic_markets/electricity_trading/trans_charging2.pdf</a>	2 March	Further consultation anticipated in autumn
Ofgem	<b>2002/03 Electricity Distribution Quality of Service Report</b> <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/7685_149_04_quality_of_service_report.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/7685_149_04_quality_of_service_report.pdf</a>	5 July	30 September
The Welsh Assembly	<b>draft Ministerial Interim Planning Policy Statement (MIPPS) on renewable energy" and "draft Technical Advice Note (TAN) 8: Renewable Energy".</b> <a href="http://www.wales.gov.uk/subiplanning/content/tans/tan08/mipps-indexe.htm">http://www.wales.gov.uk/subiplanning/content/tans/tan08/mipps-indexe.htm</a>	13 July	8 October
Ofgem	<b>Draft Guidance on impact assessments</b> <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/7944_17204_IA.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/7944_17204_IA.pdf</a>	23 July	13 September
Ofgem	<b>A review of the Energy Efficiency Commitment to the end of the second year: A report for the Secretary of State for Environment, Food and Rural Affairs and Energy Efficiency Commitment 2005 – 2008 Administration Procedures: Consultation document</b>  The report can be found at: <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8018_17804.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8018_17804.pdf</a> and the procedures at: <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8020_17904.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8020_17904.pdf</a>	29 July	13 September (for the procedures)
Ofgem	<b>Regulation of Independent Electricity Distribution Network Operators: Consultation Paper</b> <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8023_18004_IDNO.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8023_18004_IDNO.pdf</a>	29 July	13 September
Ofgem	<b>Information and Incentives Project (IIP): Draft Regulatory Instructions and Guidance (RIGs) version 5</b> <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8040_18104a_openletter.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8040_18104a_openletter.pdf</a> and the revised RIGs: <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8041_18104b.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8041_18104b.pdf</a>	29 July	8 September

Ofgem/D TI	<b>Transmission price controls and BETTA: Draft proposals</b>  <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8059_18204.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8059_18204.pdf</a>	30 July	10 September
NEW IN AUGUST....		Issued	Response Due
	<b>The BETTA Legal Framework</b> <b>Final drafts of the licences, changes to the legal text of the BSC and the CUSC, and the versions of the Grid Code and the System Operator-Transmission Owner Code (STC)</b>  The documents have been placed in two new sections of the Ofgem website: <ul style="list-style-type: none"> <li>• BETTA (Proposed designation text - <a href="http://www.ofgem.gov.uk/ofgem/work/index.jsp?section=/areasofwork/betta00">http://www.ofgem.gov.uk/ofgem/work/index.jsp?section=/areasofwork/betta00</a>); and</li> <li>• BETTA (Associated designation publications - <a href="http://www.ofgem.gov.uk/ofgem/work/index.jsp?section=/areasofwork/betta01">http://www.ofgem.gov.uk/ofgem/work/index.jsp?section=/areasofwork/betta01</a>).</li> </ul>	Through August	
Ofgem/DTI	<b>Ofgem/DTI conclusions and publication of near final legal text of the GB Grid Code and conclusions on change management between the STC and the GB BSC, GB CUSC and GB Grid Code</b>  The two volume consultation can be found at: <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8102_grid_code_betta04.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8102_grid_code_betta04.pdf</a> and <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8104_grid_code_betta04b.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8104_grid_code_betta04b.pdf</a>	3 August	
DTI / Scottish Executive	<b>Terms of Reference for the 2005-6 Review of the Renewables Obligation (and the Renewables Obligation (Scotland))</b>  <b>Terms of Reference for the 2005-06 Review of the Renewables Obligation (Scotland)</b>  The DTI's consultation can be found at: <a href="http://www.dti.gov.uk/energy/renewables/policy/terms_of_reference.shtml">http://www.dti.gov.uk/energy/renewables/policy/terms_of_reference.shtml</a> And the Scottish Executive's consultation at: <a href="http://www.scotland.gov.uk/about/ELLD/EN-CS/00017058/page1866457688.aspx">http://www.scotland.gov.uk/about/ELLD/EN-CS/00017058/page1866457688.aspx</a>	3 August	30 Sept
DTI	<b>Relaying the Common Tariff Obligation – Draft Electricity Act 1989 (Uniform Prices in the North of Scotland) Order 2004</b>  <a href="http://www.dti.gov.uk/energy/consultations/cto.pdf">http://www.dti.gov.uk/energy/consultations/cto.pdf</a>	4 Aug	4 Nov
Ofgem/DTI	<b>BETTA: GB Transmission Charging Process</b>  <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8149_chrismurraytransmissionchargingprocess04.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8149_chrismurraytransmissionchargingprocess04.pdf</a>	5 August	

Ofgem	<b>Ofgem's three year strategy 2005 – 8</b>  <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8142_initialconsultationletterComms.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8142_initialconsultationletterComms.pdf</a>	5 August	October 04
DTI	<b>Carbon Abatement Technology Strategy - Consultation Document</b>  <a href="http://www.dti.gov.uk/energy/coal/cfft/apgtfreport.shtml">http://www.dti.gov.uk/energy/coal/cfft/apgtfreport.shtml</a>	6 Aug	29 Oct
EAC	<b>Tenth Report of Session 2003-04: Budget 2004 and Energy</b>  The press release can be found at: <a href="http://www.parliament.uk/parliamentary_committees/environmental_audit_committee/eac11_08_04.cfm">http://www.parliament.uk/parliamentary_committees/environmental_audit_committee/eac11_08_04.cfm</a> and the report at: <a href="http://www.publications.parliament.uk/pa/cm/cmenvaud.htm#reports">http://www.publications.parliament.uk/pa/cm/cmenvaud.htm#reports</a>	11 Aug	
Ofgem	<b>Competition Legislation Competition Act 1998 Application in the Energy Sector</b>  <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8088_18804energy_guidelines_aug2004.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8088_18804energy_guidelines_aug2004.pdf</a>	11 Aug	17 Sept
Ofgem	<b>Transmission Investment for Renewable Generation: Initial Proposals</b>  <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8267_19604_tirg_ip.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8267_19604_tirg_ip.pdf</a>	12 Aug	24 Sept
NGT	<b>NGC's Transparency Review: Final Report</b>  <a href="http://www.nationalgrid.com/uk/indinfo/balancing/pdfs/Transparency_Review_Final_Report_published160804.pdf">http://www.nationalgrid.com/uk/indinfo/balancing/pdfs/Transparency_Review_Final_Report_published160804.pdf</a>	17 Aug	
DTI	<b>Implementation of Article 23 (5) and (6) of Directive 2003/54/EC on the internal market in electricity (the Electricity Directive) and of Article 25 (5) and (6) of Directive 2003/55/EC on the internal market in gas (the Gas Directive).</b>  <a href="http://www.dti.gov.uk/energy/consultations/internal_markets_in_electricity_and_gas.pdf">http://www.dti.gov.uk/energy/consultations/internal_markets_in_electricity_and_gas.pdf</a>	18 Aug	27 Sept
Ofgem	<b>Gas and electricity cash out review: the way forward</b>  <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8406_cash_out_rev_letter.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8406_cash_out_rev_letter.pdf</a>	18 Aug	
ELEXON	<b>Consultation on a Proposed Transitional Modification to the GB BSC and the creation of a new Transitional Code Subsidiary Document to facilitate BETTA Testing</b>  <a href="http://www.elexon.co.uk/documents/Consultations/Consultation_on_a_Proposed_Transitional_Modification_to_the_BSC_for_BETTA_Testing/BETTA_Consultation_on_testing_v1.0.pdf#xml=http://www.elexon.co.uk/scripts/texis.exe/Webinator/search/xml.txt">http://www.elexon.co.uk/documents/Consultations/Consultation_on_a_Proposed_Transitional_Modification_to_the_BSC_for_BETTA_Testing/BETTA_Consultation_on_testing_v1.0.pdf#xml=http://www.elexon.co.uk/scripts/texis.exe/Webinator/search/xml.txt</a>	19 Aug	26 Aug
NGT	<b>GB Transmission Charging: Final Methodologies Consultation</b>	20 Aug	17 Sept

	<a href="http://www.nationalgridinfo.co.uk/betta/gb_consultations.html">http://www.nationalgridinfo.co.uk/betta/gb_consultations.html</a>		
Ofgem	<b><u>Connection and Use of System Code Proposed Amendment CAP047: "Introduction of a competitive process for the provision of mandatory frequency response" Impact assessment</u></b>  <a href="http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8441_cap047ia_final.pdf">http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/8441_cap047ia_final.pdf</a>	20 Aug	17 Sept
DTI	<b>Consultation on guidance to power station developers</b>  <a href="http://www.dti.gov.uk/energy/consultations/power_station_final.pdf">http://www.dti.gov.uk/energy/consultations/power_station_final.pdf</a>	25 Aug	24 Nov
	<b>The initial allocation of GB transmission system access rights under BETTA An Ofgem/DTI conclusions document</b>  <a href="http://www.ofgem.gov.uk/ofgem/work/index.jsp?section=/areasofwork/betta01">http://www.ofgem.gov.uk/ofgem/work/index.jsp?section=/areasofwork/betta01</a>	26 Aug	