

Craig Maloney  
Electricity Charging & Access Development  
National Grid Electricity Transmission plc  
National Grid House  
Warwick Technology Park  
Gallows Hill  
Warwick  
CV34 6DA

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0141 568 4469

Dear Craig,

**GB ECM-05 Pre-Consultation on Manifest Data Errors in the Calculation  
of TNUoS Tariffs**

Thank you for the opportunity to respond to this pre-consultation document. This response is submitted on behalf of the UK energy businesses of ScottishPower, namely ScottishPower Energy Management Ltd, ScottishPower Generation Ltd and ScottishPower Energy Retail Ltd.

ScottishPower agrees that the likelihood of a manifest error occurring is low but that a robust and transparent mechanism is required to facilitate reconciliation where a manifest error has resulted in a material change to annual TNUoS charges to a user both in the stated case of Cruachan power station and on future occasions.

**Definition of Manifest Error**

The TEC Data from the October GB SYS is an appropriate data source for the Transport Model and provides an incentive on users to provide the best available TEC data in the GB SYS. A change in TEC between the October GB SYS and the start of the charging year should not be considered a manifest error. Any error in the transfer of data between TOs or in the population of the Transport model with GB SYS and other input data should be considered a manifest error. Any error in the function of the Transport Model should also be considered a manifest error.

**Materiality**

The issue of materiality is difficult to address as it is dependent upon the overall size of the TNUoS charge payable by the user and thus, indirectly, the size of the user. Use of a fixed value is therefore discriminatory against smaller users who suffer proportionately more. ScottishPower agrees with the proposal to use an absolute value of a User's TNUoS tariff as the test of materiality but believes that this figure should be set at a figure of £0.25/kw.

This figure is proportionate to the level of TNUoS tariffs currently set yet still represents a fair absolute value to those sites with higher TEC values.

#### Period Eligible for Reconciliation

ScottishPower agree that the transparency from the use of publicly available GB SYS data should enable any user to identify a material manifest error within the charging year in which it occurs and therefore errors identified beyond this period should not be eligible for retrospective reconciliation.

#### Mechanics of Reconciliation

The preferred route for the reconciliation process is to utilise the existing mechanism and timetable for reconciliation currently used by demand Users and generation Users in negative generation zones where this is practicable. Where it is not practical to use this mechanism a one-off payment should be used.

I hope you find these comments useful. Should you have any queries on the points raised, please feel free to contact us.

Yours sincerely,

**James Anderson**  
**Commercial and Regulation**