nationalgrid

Annual Review of the Balancing Principles Statement (BPS) and Procurement Guidelines (PG)

A Consultation by National Grid
January 2008

Overview

National Grid is conducting an annual review of the Balancing Principles Statement (BPS) and Procurement Guidelines (PG).

National Grid is proposing house-keeping changes to the BPS (e.g. removal of incorrect and redundant references).

No changes are proposed to the PG.

This consultation seeks industry views on the proposed house-keeping changes in the BPS. National Grid also invites views on any other aspect of the BPS and the PG.

Consultation Process

This consultation seeks views on proposed amendments to the BPS. It is being carried out in accordance with the provisions contained within Standard Condition 16 of National Grid's Electricity Transmission Licence.

A copy of the BPS with the proposed changes is attached to this consultation as Appendix A.

Following receipt of responses to this consultation, National Grid will prepare and submit a report (in accordance with Electricity Transmission Licence Standard Condition C16 paragraph 8) to the Authority. The consultation document, consultation report, and all responses, will be published on National Grid's website:
http://www.nationalgrid.com/uk/Electricity/Balancing/consultations/

The current version of the BPS can be found at the following link:
http://www.nationalgrid.com/uk/Electricity/Balancing/transmissionlicensestatements/

Consultation Timescales

In accordance with the provisions of Standard Condition C16 of National Grid's Transmission Licence, the consultation period will be 28 days. Therefore the consultation timetable is as follows:

Consultation published	Tuesday 29 January 2008
Closing date for responses	Monday 5pm, 25 February 2008
Consultation Report to the Authority	Monday 3 March 2008

Document Structure

The remainder of this document is structured as follows:

1. Background
2. Summary of Proposed Changes
3. Implementation Timescales
4. Consultation Responses
5. Appendix A – a copy of the BPS showing Proposed Changes
6. Appendix B – a copy of the PG

1 Background

In accordance with its licence obligations under Standard Condition C16, National Grid is required to carry out an annual review of the Balancing Principles Statement and the Procurement Guidelines, and, if appropriate, to propose changes to these documents.

National Grid is proposing to make house-keeping changes to the BPS (e.g. removal of incorrect and redundant references).

No changes are proposed to the PG.

This consultation seeks industry views on the proposed house-keeping changes in the BPS. National Grid also invites views on any other aspect of the BPS and the PG.

2 Summary of Proposed Changes in the BPS

The proposed changes are house-keeping changes for the BPS, and are summarised in Table 1.

Table 1 – Proposed House-keeping Changes

Section	Change	Comment
Part C, Paragraph 1	Insert "GB" before "National Demand"	Change required to correct the term in line with the definition in the Grid Code
Part C, Paragraph 1	Delete "NGC Demand" and replace it with "GB Transmission System Demand"	Change required to correct the term in line with the definition in the Grid Code
Part C, Paragraph 6	Delete "(see Part H)" in the first sentence.	Change required to remove a redundant reference
Part E, Section 2, Within Day Balancing Process – Control Phase	Delete "Sections 3 and 4" and replace with "Sections 5 and 6".	Change required to ensure correct reference to appropriate sections

3 Proposed Implementation Date

In accordance with the provisions of Standard Condition C16 of National Grid's Transmission Licence, the consultation period will be 28 days. Therefore the consultation timetable is as follows:

Consultation published	Tuesday 29 January 2008
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Subject to Ofgem approval of the proposed changes by Monday 31 March 2008, it is National Grid's intention to implement the proposed changes on Tuesday 1 April 2008.

4 Consultation Responses

Consultation responses should be forwarded to the Balancing Services e-mail address BalancingServices@uk.ngrid.com by **Monday 5pm on 25 February 2008**. Comments will be reviewed, and National Grid will then prepare a report to the Authority.

A full copy of all responses will be provided to the Authority and will be made publicly available on the Industry Information web site (http://www.nationalgrid.com/uk/Electricity/Balancing/consultations/).

APPENDIX A
Proposed Changes to the Balancing Principles Statement

[Please see separate document for proposed changes to the Balancing Principles Statement]

APPENDIX B
Current Procurement Guidelines

[Please see separate document for the current copy of Procurement Guidelines]