

## **Proposed Revisions to the Balancing Principles Statement Following annual consultation**

### **A Report by National Grid February 2008**

#### **Overview**

National Grid has carried out an annual review of the Balancing Principles Statement (BPS) and Procurement Guidelines (PG). As a result of this review, National Grid proposed minor changes to the BPS.

In accordance with Standard Condition 16 of NGET's Transmission Licence, National Grid has consulted with the industry on the proposed changes to the BPS.

This report provides details of the outcome of the consultation process undertaken by National Grid.

#### **Consultation Process and Recommendation**

The consultation period was 28 days in accordance with Standard Condition 16 of NGET's Transmission Licence.

Following the consultation, National Grid recommends that the Authority approves the revised version of the BPS. Subject to the approval by the Authority by 31 March 2008, the proposed changes will become effective from 1<sup>st</sup> April 2008.

#### **Document Structure**

1. Industry Representations
2. Recommendation to the Authority

#### **Appendices**

The attachments to this Report are detailed below:

- a) Appendix 1  
Consultation paper by National Grid published on 29 January 2007
- b) Appendix 2  
Change-marked version of the Balancing Principles Statement

## 1. Industry Representations

No industry responses were received to the proposed changes. The proposed changes are minor and of house keeping nature.

## 2. Summary and Recommendation to the Authority

The proposed changes to the Balancing Principles Statement are summarised in Table 1.

**Table 1 – Proposed House-keeping Changes**

<b>Section</b>	<b>Change</b>	<b>Comment</b>
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

**Following the consultation, National Grid recommends that the Authority approves the version of the BPS in Appendix 2.**

**Subject to the approval by the Authority, the proposed changes will become effective from 1 April 2008.**

**Appendix 1**  
**Consultation paper by National Grid published on 29 January 2007**

[Please see separate document]

## **APPENDIX 2**

**Change marked version of the Balancing Principles Statement with all amendments highlighted**

[Please see separate document]