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### **BSCCo Business Plan 2013-14 Consultation**

Thank you for the opportunity to comment on this Business Plan. This response is submitted for and on behalf of ScottishPower, which includes ScottishPower Generation Ltd, ScottishPower Energy Management Ltd, SP Renewables (UK) Ltd, ScottishPower Energy Retail Ltd, SP Manweb, SP Distribution Ltd and SP Transmission Ltd.

ScottishPower is pleased and encouraged that ELEXON's main priority remains the efficient and quality delivery of robust and effective BSC services as described by the Balancing and Settlement Code.

We accept the need and support ELEXON's proactive approach to ensure that the BSC and ELEXON are fit for purpose for any developments to the wholesale and retail energy markets, particularly on the continual evaluation of the impact from the introduction of smart metering; EU developments and the Electricity Market Reform (EMR), as well as smart grids and smarter markets. However, Elexon needs to recognise that while some of these developments may also represent opportunities for ELEXON to apply its expertise and experience to delivering such developments, some are outside the scope of the BSCCo and this budget.

We also note the need to replace and upgrade ELEXON's internal applications and integrate them with the BPO Transformation Programme. Considering the costs involved, we trust this improvement will be progressed and supported with a business case through the normal Board approval process.

ScottishPower welcomes ELEXON's strategy to invest in its key assets, its people, for the benefit of the industry. We believe that there should be some process of succession planning and personal development in order to ensure key staff are retained and new staff are trained and developed for the enduring roles in the BSC. It is also important that ELEXON ensures there is sufficient resource to deliver a sustained quality BSC service.

Given the experience in the last 2 years concerning ELEXON Governance and vires, ScottishPower believes ELEXON should continue to pursue avenues where BSC costs could be reduced, minimised or shared, and where experienced staff are retained and share their expertise with the industry. ScottishPower further believes that such a strategy and plan should be budgeted appropriately; developed transparently and consulted with BSC Parties well in advance (if necessary) in order to minimise the situation where urgent/expedited modifications are required potentially leading to solutions that may not be properly developed or optimised.

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

Yours sincerely,

Man Kwong Liu